Appendixes
CONVENTION BETWEEN GREAT BRITAIN AND TIBET 7TH SEPTEMBER 1904

Whereas doubts and difficulties have arisen as to the meaning and validity of Anglo-Chinese Convention of 1890, and the Trade Regulations of 1893, and as to the liabilities of the Tibetan Government under these agreements; and whereas recent occurrence have tended towards a disturbance of the relations of friendship and good understanding which have existed between the British Government and Government of Tibet; and whereas it is desirable to restore peace and amicable relations, and to resolve and determine the doubts and difficulties as aforesaid, the said Governments have resolved to conclude to conclude a Convention with these objects, and the following articles have been agreed upon by Colonel F.E. Younghusband, C.I.E., in virtue of full powers vested in him by his Britannic Majesty’s Government and behalf of that said Government, and Lo-Sang Gyal-Tsen, the Ga-den Ti-Rimpoche, and the representatives of the council, of the threemonasteries Se-ra, Dre-pung, and Ga-den, and of the ecclesiastical and lay officials of the National Assembly on behalf of the Government of Tibet.

Article I
The Government of Tibet engages to respect Anglo-Chinese Convention of 1890 and to recognize the frontier between Sikkim and Tibet, as defined in Article I of the said Convention, and to erect boundary pillars accordingly.

Article II
The Tibetan Government undertakes to open forthwith trade marts to which all British and Tibetan subjects shall have free rights of access at Gyantse and Gartok, as well as Yatung.

The Regulations applicable to the trade mart at Yatung, under the Anglo-Chinese Agreement of 1893, shall subject to such amendments as may hereafter be agreed upon by common consent between the British and Tibetan Governments, apply to the marts above-mentioned.

In addition to establishing trade marts at the place mentioned, the Tibetan Government undertakes to place no restrictions on the trade by existing routes, and to consider the question of establishing fresh trade marts under similar conditions if development of trade requires it.
Article III
The question of amendment of the Regulations of 1893 is reserved for separate consideration, and the Tibet Government undertakes to appoint fully authorized delegates to negotiate with representatives of the British Government to the details of the amendments required.

Article IV
The Tibetan Government undertakes to levy no dues of any kind other than those provided for in the traffic to be mutually agreed upon.

Article V
The Tibetan government undertakes to keep the roads to Gyantse and Gartok from the frontier clear of all obstructions and in a state of repair suited to the needs of the trade, and to establish at Yatung, Gyantse and Gartok, and at each of the other trade marts that may hereafter be established, a Tibetan Agent who shall receive from the British Agent appointed to watch over British trade at the marts in question any letter which the latter may desire to send to the Tibetan or to the Chinese authorities. The Tibetan Agent shall also be responsible for the due delivery of such communications and for the transmission of replies.

Article VI
As an indemnity to the British Government for the expense incurred in the dispatch of armed troops to Lhasa, to exact reparation for breaches of treaty obligations, and for the insults offered to and attacks upon the British Commissioner and his following and escort, the Tibetan Government engages to pay a sum of pounds five hundred thousand-equivalent to rupees seventy five lakhs to the British Government. The indemnity shall be payable at such place as the British Government may from time to time, after due notice, indicate whether in Tibet or in the British district of Darjeeling or Jalpaiguri, in seventy-five annual instalments of rupees one on the 1\textsuperscript{st} January in each year, beginning from the 1\textsuperscript{st} January 1906.

Article VII
As security for the payment of the above mentioned indemnity and for the fulfillment of the provisions related to the trade marts specified in Article II, III, IV and V, the British Government shall continue to occupy the Chumbi Vally until the indemnity has been paid until the trade marts have been effectively opened for three years, whichever date may be the later.
Article VIII
The Tibetan Government agrees to raze all forts and fortifications and remove all armaments which might impede the course of free communications between the British frontier and the towns of Gyantse and Lhasa.

Article IX
The Government of Tibet engages that, without the previous consent of the British Government—

(a) No portion of Tibet territory shall be ceded, soled, leased, mortgaged or otherwise given for occupation, to any Foreign power;
(b) No such power shall be permitted to intervene in Tibetan affairs;
(c) No representatives or Agents of any Foreign Power shall be admitted to Tibet;
(d) No concessions for railways, roads, telegraph, mining or other rights, shall be granted to any Foreign Power, or the subject of any Foreign Power. In the event of consent to such concessions being granted, similar or equivalent concessions shall be granted to the British Government;
(e) No Tibetan revenues, whether in kind of cash, shall be pledged or assigned to any Foreign Power.

Article X
In witness whereof the negotiators have signed the same and affixed thereunto the seals of their arms.
Done in quintuplicate at Lhasa this 7th day of September in the year of our Lord one thousand nine hundred and four, corresponding with the Tibetan date, the 27th day of seventh month of the Wood Dragon year.
Tibet Frontier Commission

(Sd.) F. E. YOUNGHUSBAND, Col.
British Commissioner

Seal of British Commissioner

Seal of the Dalai Lama,
affixed by the Ga-den
Ti-Rimpoche

Seal of Council
Seal of the
Seal of Sera
Seal of
Seal of National
Assembly
Dre-pung, Monastery
Ga-den, Monastery
Monastery

Convention between Great Britain and China concerning Tibet, 27 April, 1906

Where His Majesty the king of Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India, and His Majesty the Emperor of China are sincerely desirous to maintain and perpetuate the relations of friendship and good understanding which now exist between their respective empires;

And whereas the refusal of Tibet to recognize the validity of or carry into full effect the provisions of the Anglo-Chinese Convention of March 17th 1890 and Regulations of December 5th 1893 placed the British Government under the necessity of taking step to secure their rights and interest under the said Convention and Regulation; and whereas a Convention of ten articles was signed at Lhasa on September 7th 1904 on behalf of Great Britain and Tibet, and was ratified by the Viceroy and Governor-General of India on behalf of Great Britain on November 11th 1904, a declaration behalf Great Britain modifying its terms under certain conditions being appended thereto;

His Britannic Majesty and His Majesty the Emperor of China have resolved to conclude a Convention on this subject and have for this purpose named Plenipotentiaries, that is to say:

His Majesty the king of Great Britain and Ireland:

Sir Ernest Mason satow, knight Grand cross of the most distinguished order of Saint Michael and Saint George, His Majesty’s Envoy Extraordinary and Minister Plenipotentiary to His Majesty the Emperor of China;

And His Majesty the Emperor of China:

His Excellency Tong Sho-yi (sic), His said Majesty’s High Commissioner Plenipotentiary and a Vice-President of the Board of Foreign Affairs; who having communicated to each other their respective full powers and finding them to be in good and true form have agreed upon and concluded the following Convention in Six articles:

Article I

THE Convention concluded on September 7th 1904 by Great Britain and Tibet, the text of which in English and Chinese are attached to the present Convention as an annex, is hereby confirmed, subject to the modifications stated in the declaration
appended thereto, and both the High Contracting Parties engage to take at all times such steps as may be necessary to secure the due fulfillment of the terms specified therein.

Article II

The Government of Great Britain engages not to annex Tibetan Territory or to interfere in the administration of Tibet. The Government of China also undertakes not to permit any other foreign State to interfere with the territory or internal administration of Tibet.

Article III

The concessions which are mentioned in Article 9(d) of the Convention concluded on September 7th 1904 by Great Britain and Tibet are denied to any State or to the subject of any State other than China, but it has been arranged with China that at the trade marts specified in Article 2b of the aforesaid Convention Great Britain shall be entitled to lay down telegraph lines connecting with India.

Article IV

The provisions of Anglo-Chinese Convention of 1890 and Regulations of 1893 shall, subject to the terms of this present Convention and annex thereto, remain in full force.

Article V

The English and Chinese texts of the present Convention have been carefully compared and found to correspond but in the event of there being any difference of meaning between them the English text shall be authoritative.

Article VI

This Convention shall be ratified by the Sovereigns of both countries and ratifications shall be exchanged at London within three months after the date of signatures by the Plenipotentiaries of both powers.

In token whereof the respective Plenipotentiaries have signed and sealed this Convention, four copies in English and four in Chinese.

Done at Peking this twenty-seventh day of April, one thousand nine hundred and six, being the fourth day of the fourth month of the thirty-second year of the reign of Kuang-hsu.

(L.S.) ERNEST SATOW
(Signature and Seal of the Chinese Plenipotentiaries)
ANNEXE

Convention between Great Britain and Tibet signed at Lhasa on the 7th September 1904.
Deceleration signed by His Excellency the Viceroy and Governor-General of India on behalf of the British Government and appended to the ratified Convention of the 7th September 1904.

Anglo-Russia Convention of 1907

Convention between Great Britain and Russia relating to Persia, Afghanistan and Tibet signed at St. Petersburg, August 31\textsuperscript{st} 1907.

His Majesty the king of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the seas, Emperor of India, and His Majesty the Emperor of all the Russia’s, animated by the sincere desire to settle by mutual agreement different questions concerning the interests of their states on the continent of Asia, have determined to conclude Agreement destined to prevent all cause of misunderstanding between Great Britain and Russia in regards to the questions referred to, and have nominated for this purpose their respective Plenipotentiaries, to wit:

His Majesty the king of the United Kingdom of Great Britain and Ireland and of the Britain Dominion beyond the Seas, Emperor of India, the Right Honourable Sir Arthur Nicolson, His Majesty’s Ambassador Extraordinary and Plenipotentiary to His Majesty the Emperor of All Russias;

His Majesty the Emperor of All the Russias, the Master of his Court Alexander Iswolsky, Minister for Foreign Affairs;

Who, having communicated to each other their full powers, found in good and due form, have agreed on the following:-

ARRANGEMENT CONCERNING THIBET

The Government of Great Britain and Russia recognising the suzerain rights of China in Thibet, and considering the fact that Great Britain, by reason of her geographical position has a special interest in the maintenance of the status quo in the external relations of Thibet, have made the following arrangement:-

\textit{Article I}

The two High Contracting Parties engage to respect the territorial integrity of Thibet and to abstain from all interference in the internal administration.

\textit{Article II}

In conformity with the admitted principle of the suzerainty of China over Thibet, Great Britain and Russia engage not to enter into negotiations with Thibet except through the intermediary of the Chinese Government. This engagement does not exclude the direct relations between Britain Commercialtion between Great Britain
and Thibet of the 7th September 1904, and confirmed by the Convention between
Great Britain and China of the 27th April 1906; nor does it modify the engagements
entered into by Great Britain and China in Article I of the said Convention of 1906.

It is clearly understood that Buddhists, subjects of Great Britain or of Russia, may
enter into direct relations on strictly religious matters with the Dalai Lama and the
other representatives of Buddhism in Thibet; the Governments of Great Britain and
Russia engage, as far as they are concerned, not to allow those relations to infringe the
stipulations of the present arrangement.

Article III

The British and Russian Governments respectively engage not to send
Representatives to Lhasa.

Article IV

The two High Contracting Parties engage neither to seek nor to obtain, whether for
themselves or their subjects, any Concessions for railways, roads, telegraphs, and
mines, or other rights in Thibet.

Article V

The two Government agree that no part of the revenues of Thibet, whether in kind or
in cash, shall be pledged or assigned to Great Britain or Russia or to any of their
subjects.

Annexe Britain reaffirms the declaration, signed by His Excellency the Viceroy and
Governor-General of India and appended to the ratification of the Convention of the
7th September 1904, to the effect that the occupation of the Chumbi Valley by Britain
forces shall cease after the payment of three annual instalments of the indemnity of
25,00,000 rupees, provided that the trade marts mentioned in Article II of that
Convention have been effectively opened for three years, and that in the meantime the
Thibetan authorities have faithfully complied in all respects with the terms of the said
Convention of 1904. It is clearly understood that if the occupation of the Chumbi
Valley by the British forces has, for any reason, not been terminated at the time
anticipated in the above Declaration, the British and Russian Governments will enter
upon a friendly exchange of views on this subject.

The present Convention shall be ratified, and the ratification exchanged at St.
Petersburg as soon as possible.
In witness where of the respective Plenipotentiaries have signed the present Convention and affixed thereto their seals.

Done in duplicate at St. Petersburg, the 18th (31) August 1907.

(L.S.) A.Nicolson

(L.S.) Isvolski

Simla Convention, 3 July, 1914

1. Crewe (secretary of state) to Hardinge (Viceroy), telegram P., 1 July (received 2nd). 1914

Conference regarding Tibet. Please refer to your telegram dated 29th ultimo. A final meeting of conference should be summoned by Sir H. McMahon on the 3rd July. If Chinese Plenipotentiary then refuse to sign the convention, negotiations should definitely be terminated by Sir Henry. He should express to Tibetan Representative great regret at failure to arrive at a settlement and should also assure Lonchen Shatra that Tibet may depend on diplomatic support of his majesty’s Government and on any assistance in the way of munitions of war which we can give them, if aggression on the part of China continues.

Will you kindly also consider what action should be taken vis-à-vis China if the negotiations break down. Trade regulations of 1893 and 1908 will presumably have to be denounced. Would be recommend denunciation of convention of 1906?

This telegram should be repeated to his British Majesty’s Ministry at Peking.

2. Crewe to Hardinge, telegram P, 2 July (received 3rd), 1914

China-Tibet negotiations. My telegram of the first instance crossed of your same date.

Order holds good as to final meeting on 3rd July.

In expressing regret that signature of convention has been prevented by the action of Chinese government, sir Henry McMahon should say in conference that settles view of his Majesty’s Government as to status and boundaries of Tibet is represented by Convention as initialed.

The assurance content in my telegram of the first instant should be privately given to Tibetan Plenipotentiary.

Your telegram and my reply should be repeated to the Peking Legation.

3. Crewe to Hardinge telegram P, 3 July (received 3rd) 1914
With reference of your telegram of the 2\textsuperscript{nd} instance, separate signature with Tibet could be authorized by his Majesty’s Government. Sir H. McMahon should proceed in the manner laid down in my telegram dated, respectively, the 1\textsuperscript{st} and 2\textsuperscript{nd} July, if the Chinese delegates refuse to sign.
1. Convention between Great Britain, China and Tibet (1914)

His Majesty the king of the united Kingdom of great Britain and Ireland and of the British dominions beyond the seas, Emperor of India, His Excellency the President of the Republic of China, and his holiness the Dalai Lama of Tibet, being sincerely desirous to settle by mutual agreement various questions concerning the interest of their several states on the Continent of Asia, and further to regulate the relations of their several governments, have resolved to conclude a convention on this subject and have nominated for this purpose their respective Plenipotentiaries, that is to say:

His Majesty the king of the united Kingdom of great Britain and Ireland and of the British dominions beyond the seas, Emperor of India, Sir Arthur Henry McMahon, Knight Grand cross of the royal Victorian Order, Knight commander of the most Eminent order of the Indian Empire, Companions of the most Exalted Order of the state of India, Secretary to the Government of India, Foreign and Political Department;

His Excellency the President of the Republic of China, Monsieur Ivan Chen, Officer of the Order the Chia Ho;

His holiness the Dalai Lama of Tibet, Lonchen Ga-den shatra Pal-jor Dorje; who having communication to each other their respective full power and finding them to be in good and due form have agreed upon and concluded the following convention in eleven Articles:

Article I

The convention specified in the schedule to the present Convention shall, except in so far as they may have been modified by, or may be inconsistence with or repugnant to, any of the provisions of the present Convention, continue to be binding upon the high Contracting Parties.
Article II

The Government of great Britain and China recognizing that Tibet is under the suzerainty of China, and recognizing also autonomy of outer Tibet, engage to respect the territorial integrity of the country, and to abstain from interference in the administration of the Outer Tibet (including the selection and installation of the Dalai Lama), which shall remain in the hands of Tibetan Government at Lhasa.

The Government of China engages not to convert Tibet into a Chinese province. The Government of Great Britain engages not to annex Tibet or any portion of it.

Article III

Recognizing the special interest of great Britain, in virtue of the geographical position of Tibet, in the existing of an effective Tibetan Government, and in the maintenance of peace and order the neighbourhood of the frontiers of India and adjoining states, the Government of China engages, except as provided in Article 4 of this convention, not to send troops in to outer Tibet, nor to station civil or military officers, nor to establish Chinese colonies in the country. Should any substitute’s official remain in Outer Tibet at the date of the signature of this Convention; they shall be withdrawn within a period not exceeding three months.

The Government of Great Britain engages not to station military or civil officers in Tibet (except as provided in the convention of September 7, 1904, between Great Britain and Tibet) nor troops (except the Agent’s escorts), nor to establish colonies in that country.

Article IV

The foregoing Article shall not be held to preclude the continuance of the arrangement by which, in the past, a Chinese high official with suitable escort has been maintained at Lhasa, but it is hereby provided that the said escort shall in no circumstances exceed 300 men.

Article V
The Government of China in Tibet engage that they will not enter into any negotiations or agreements regarding Tibet with one and another, with any other Power, accepting such agreements and negotiations between Great Britain and Tibet as are provided for by the convention of September 7, 1904, between Great Britain and Tibet and the Convention of April 27th 1906, between Great Britain and China.

Article VI

Article 3 of the convention of April 27, 1906, between Great Britain and China is hereby cancelled, and it is understood that in Article 9 (d) of the Convention of September 7, 1904, between Great Britain and Tibet the term 'Foreign Power' does not include China.

Not less favorable treatment shall be accorded to British commerce then to the commerce of China or of the most favored nation.

Article VII

(a) The Tibet trade regulations of 1893, are hereby cancelled

(b) The Tibetan Government engages to negotiate with the British Government new Trade Regulations for Outer Tibet to give effect to Article 2-4 and 5 of the Convention of September 7, 1904, between Great Britain and Tibet without delay; provided always that such regulations in no way modify the present Convention except with the consent of the Chinese Government.

Article VIII

The British agent who resides at Gyantse may visit Lhasa with his escort whenever it is necessary to consult with Tibetan Government regarding matters arising out of the convention of September 7, 1904, between Great Britain and Tibet, which it has been found impossible to settle at Gyantse by correspondence or otherwise.
Article IX

For the purpose of the present convention the borders of Tibet, and the boundary between Outer and Inner Tibet, shall be shown as in red and blue respectively on the map attached hereto.

Nothing in the present Convention shall be held to prejudice the existing rights of the Tibetan Government in Inner Tibet, which includes the power to select and appoint the high priests of monasteries to retain full control in all matters affecting religious institutions.

Article X

The English, Chinese and Tibetan text of the present convention has been carefully examined and found to correspond, but in the event of there being any difference of meaning between them and English text shall be authoritative.

Article XI

The present Convention will take effect from the date of signature.

In token whereof the respective Plenipotentiaries have signed and sealed this Convention, three copies in English, three in Chinese and three in Tibetan.

Done at Simla this third day of July, A.D., one thousand nine hundred and fourteen, corresponding with Chinese date, third day of the seventh month of the third year of the Republic, and the Tibetan date, the tenth date of the fifth month of the Wood-Tiger year.
Initial of the Lonchen Shatra

Seal of the

LONCHEN SHATRA

(Initialed) A.H.M.

Seal of the

British Plenipotentiary
SCHEDULE

(1) Convention between Great Britain and China relating to Sikkim and Tibet, signed at Calcutta the 17th March 1890.

(2) Convention Great Britain and Tibet, signed at Lhasa the 7th September 1904.

(3) Convention between Great Britain and China respecting Tibet signed at Peking the 27th April 1906.

The notes exchanged to the following effect:

(1) It is understood by the High Contracting parties that Tibet forms part of Chinese territory.

(2) After the selection and installation of The Dalai Lama by the Tibetan Government, the latter will notify the installation to the Chinese Government, whose representative at Lhasa will then formally communicate to His Holiness the titles consistent with his dignity, which have been conferred by the Chinese Government.

(3) It is also understood that selection and appointment of all officers in Outer Tibet will rest with the Tibetan Government.

(4) Outer Tibet shall not be represent in the Chinese Parliament or in any other similar body.

(5) It is understood that the escorts attached to the British trade Agencies in Tibet shall not exceed seventy-five per centum of the escort the Chinese Representative at Lhasa.

(6) The Government of china is hereby releases by its engagement under Article 3 of the Convention of March 17, 1890, between Great Britain and
China to prevent acts of aggression from the Tibetan side of the Tibet-Sikkim frontier.

(7) The Chinese high official referred to in Article 4 will be free to enter Tibet as soon as the terms of Article 3 have been fulfilled to the satisfaction of representatives of the three signatories to this Convention, who will investigate and report without delay.

Initial of Lonchen Shatra

(Initialed) A.H.M.

Seal of the

Seal of the

LONCHEN SHATRA

British Plenipotentiary
1. Declaration appended to the Simla Convention 3 July, 1914

We, the Plenipotentiary of Great Britain and Tibet, hereby record the following declaration to the effect that we acknowledge the annexed Convention as initialed to be binding on the Governments of Great Britain and Tibet, and we agreed that so long the Government of china withholds signature to the aforesaid Convention, she will be debarred from the enjoyment of all privileges accruing therefore.

In token whereof we have signed and sealed this declaration, two copies in English and two in Tibetan.

Done at Simla this third day of July, A.D. one thousand and nine hundred and fourteen, corresponding with the Tibetan date, the tenth of the fifth month of the Wood-Tiger year.

Seal of the

DALAI LAMA (Signed) A. HENRY MCMOHAN

British Plenipotentiary
1. The McMahon Line Notes, March 1914

a. McMahon to Lonchen Shatra, 24 March, 1914

To

Lonchen Shatra

Tibetan Plenipotentiary

In February last you accepted the India-Tibet frontier from the Isu Razi Pass to the Bhutan frontier, as given in the map (two sheets), of which two copies are herewith attached, subject to the confirmation of your Government and the following conditions:

The Tibetan ownership of private estates on the British side of the frontier will not be disturbed.

If the sacred places of Tso Karpo and Tsari Spara fall within day's march of the British side of the frontiers, they will be included in Tibetan territory and the frontier modified accordingly.

I understand that your Government have now agreed to this frontier subject to the above two conditions.

You wished to know whether certain dues now collected by the Tibetan Government at Tsona Jong and Kongbu and Kham from the Monpas and Lopas for articles sold may still be collected. Mr. Bell has informed you that such details will be settled in a friendly spirit, when you have furnished them with further information which you promised.

The final settlement of this India-Tibet frontier will help to prevent causes of future disputes and thus cannot fail to be of great advantage to both Governments.

Delhi (Signed) A.H. McMahon

British Plenipotentiary
Lonchen Shatra to McMahon, 25 March, 1914

(Translation)

To

Sir Henry McMahan

British Plenipotentiary to the China-Tibet Conference

As it was feared that there might be friction in future unless the boundary between India and Tibet is clearly defined, I submitted the maps, which you send me February last to Lhasa for orders. I have now received order from Lhasa, and I accordingly agreed to the boundary as marked in red in the two copies of the maps signed by you subject to the conditions, mentioned in your letters, dated the 24, March, send to me through Mr. Bell. I have signed and sealed the two copies of the maps. I have kept one copy here and return herewith the other.

Sent on the 29th day of the 1st Month of the Wood-Tiger year (25th March, 1914) by Lonchen Shatra, the Tibetan Plenipotentiary.

Seal of the Lonchen Shatra

Anglo-Tibet Trade Regulations, 3 July, 1914

Whereas by Article VII of the convention concluded between the Government of Great Britain, China and Tibet on the 3rd day of the July, AD 1914, the Trade Regulations of the 1893 and 1908 were cancelled and the Tibetan Government
engaged to negotiate with the British Government new Trade Regulations for outer Tibet to give effect to Article II, IV and V of the Convention of 1904;

His Majesty the King of the United Kingdom of Great Britain and Ireland, and of the British dominance beyond the Seas, Emperor of India, and His Holiness the Dalai Lama of Tibet have for this purpose named as their Plenipotentiary, that is to say:

His Majesty the King of the United Kingdom of Great Britain and Ireland, and of the British dominance beyond the Seas, Emperor of India, Sir A.H. McMahon, G.C.V.O.,K.C.I.E.,C.S.I.;

His Holiness the Dalai Lama of Tibet, Lonchen Ga-den Shatra Pal-jor Dorje;

And whereas Sir A.H. McMahon and Lonchen Ga-den Shatra Pal-jor Dorje have communicated to each other since their respective full powers and have found to be in good and true form, the following regulations have been agreed upon:

The area falling within a radius of three miles from the British Trade Agencies sites will be considered as the area of such Trade Mart.

It is agreed that British subjects may lease lands for the building of houses and godowns at such marts. This arrangement shall not be held to prejudice the right of British subjects to rent houses and godowns outside the mart for their own accommodation and the shortage of their goods. British subjects desiring to lease building sites shall apply through the British trade agent to the Tibetan trade agent. In consultation with the British Trade Agents the Tibetan Trade Agent will assign such or other suitable building sites without unnecessary delay. They shall fix the term of leases in conformity with the existing laws and rates.

II. The administration of the Trade marts shall remain with the Tibetan authorities with the exception of the British Trade Agencies sites and compounds of the rest houses, which will be under the exclusive control of the British Trade Agents.

The Trade Agents of the Marts and the frontier officers shall be of suitable rank and shall hold personal intercourse and correspondence with one another on terms of mutual respect and friendly treatment.
III. In the event of disputes arising at the Marts or on the routes to the Marts between the subjects of other nationalities, they shall be enquired into and settled in personal conference between the Tibet and British Trade Agents at nearest Mart. Where there is divergence of views the law of the country to which the defendant belongs shall guide. All questions in regards to rights, wheather of property or persons, arising between British subjects, shall be subject to the jurisdiction of the British Authorities.

British subjects, who may commit any crime at the Marts or on the routes to the Marts, shall be handled over by the Local Authorities to the British Trade Agents at the Marts nearest the scene of the offence, to be tried and punished according to the laws of India. But such British Agents shall not be subject to the Local Authorities to any ill-usage in excess of necessary restraint.

Tibetan subjects, who may be guilty of any criminal act towards British subjects, shall be arrested and punished by the Tibetan Authorities according to law.

Should it happen that Tibetan subject or subjects bring a criminal complaint against a British subject before the British Trade Agent, the Tibetan Authorities shall have the right to send representative or representatives of suitable rank to attend the trial in the British Trade Agent’s Court. Similarly in case in which British subject have reason to complain against a Tibetan subject, the British Trade Agent shall have the right to send a representative to the Tibetan Trade Agent’s Court to attend the trial.

The Government of India shall retain the right to maintain the telegraph lines from the Indian frontier to the Marts. Tibetan messages will be duly received and will be transmitted by these lines. The Tibetan Authorities shall be responsible for the protection of the telegraph lines from the marts to the India frontiers, and it is agreed that all persons damaging the lines or interfering with them in any way or with the officials engaged in the inspection and maintenance thereof shall at once be severly punished. The British Trade Agents at various Trade Marts now or hereafter to be established in Tibet may make arrangements for the carriage and transport of their posts to and from the frontier of India. The couriers employed in conveying these posts shall receive all possible assistance from the Local Authorities, whose districts
they traverse, and shall be accorded the same protection and facilities as the persons employed in carrying the dispatches of the Tibetan Government.

No restrictions whatever shall be placed on the employment by the British officers and traders of Tibetan subjects in any lawfull capacity. The persons so employed shall not be exposed to any kind of molestation or suffer any loss of civil rights, to which they may be entitled as Tibetan subjects, but they shall not be exempted from the lawful taxation. If they be guilty of any criminal act they shall be dealt with the Local Authorities according to law without any attempt on the part of their employers to screen them.

No rights of monopoly as regards, commerce or industry shall be granted to any official or private company, institution, or individual in Tibet. It is of course understood that companies or individuals who have already received such monopolies from the Tibetan Government previous to the conclusion of this Agreement, shall retain rights and privileges until the expiry of the period fixed.

British subjects shall be at liberty to deal in kind or money, to sell there goods to whomsoever they please, to hire transport of any kind, and to conduct in general their business transactions in conformity with local usage and without any vexations, restrictions or oppressive exactions whatever. The Tibetan Authorities will not hinder British subjects from holding personal intercourse or correspondence with the inhabitants of the country.

It being the duty of police and Local Authorities to afford efficient protection at all times to the persons and property of the British subjects at the Marts and along the routes to the Marts, Tibet engages to arrange effective policy measures at the Marts and along the routs to the Marts.

Import and export of the following articles:

Arms, ammunitions, military stores, liquors and intoxicated or narcotic drugs

May at the option of either Government be entirely prohibited, or permitted only as their Government on their own side may think to impose.
Present Regulations shall be in force for a period of ten years reckoned from the date of signature by the two plenipotentiaries, but, if no demand for revision be made on either side within six months after the end of first ten years the Regulations shall remain in force for another ten years from the end of first ten years and so it shall be at the end of each successive ten years.

The English and Tibetan texts of the present Regulations have been carefully compared, but in the event of their being any difference of meaning between them the English texts shall be authoritative.

The present regulation shall come into force from the date of signature.

Done at Simla this third day of July, AD, one thousand nine hundred fourteen, corresponding with the Tibetan date, the tenth day of the fifth month of the Wood-Tiger year.

Seal of the Dalai Lama

Signature of the Lonchen Shatra (Signed) A. Henry McMahon

Seal of the Lonchen Shatra British Pleniptentiary

Seal of the Seal of the Seal of the Seal of the
Drebung Sera Ganden National
Monastery Monastery Monastery Monastery

AGREEMENT BETWEEN THE REPUBLIC OF INDIA
AND THE PEOPLE'S REPUBLIC OF CHINA ON
TRADE AND INTERCOURSE BETWEEN Tibet
REGION OF CHINA AND INDIA
PEKING, 29 April 1954

The Government of the Republic of India and

The Central People's Government of the People's Republic of China,

Being desirous of promoting trade and culture intercourse between Tibet Region of China and India and of facilitating pilgrimage and travel by the people of China and India,

Have resolved to enter into the present Agreement based on the following principles:

(1) Mutual respect for each other's territorial integrity and sovereignty,

(2) Mutual non-aggression,

(3) Mutual non-interference in each other's internal affairs,

(4) Equality and mutual benefit, and

(5) Peaceful co-existence.

And for this purpose have appointed as their respective

Plenipotentiaries:

The government of the Republic of India, H.E. Nedyam Raghavan, Ambassador Extraordinary and Plenipotentiary of India accredited to the people's republic of China; the Central People's Government of the people's Republic of China ,H.E. Chang Han-fu, Vice-Minister of Foreign Affairs of the central People's Government,
who having examined each other's credentials and finding them in good and form, have agreed upon the following:-

**Article I**

The High Contracting Parties mutually agreed to establish Trade Agencies:

1. The Government of India agrees that the Government of China may establish Trade Agencies at New Delhi, Calcutta and Kalimpong.

2. The Government of China agrees that the Government of India may establish Trade Agencies at Yatung, Gyantse and Gartok

The Trade Agencies of both parties shall be accorded the status and same treatment. The Trade Agents of both parties enjoy freedom from arrest while exercising their function and enjoy in respect of themselves, their wives and children who dependent on them for livelihood, freedom from search.

The Trade Agencies of both Parties shall enjoy the privileges and immunities for couriers, mail-bags and communications in code

**Article II**

The high contracting Parties agree that traders of both countries known to be customary and specifically engaged in trade between Tibet Region of China and India may trade at the following places:

1. The Government of China agrees to specify (1) Yatung, (2) Gyantse and (3) Phari as markets for trade. The Government of India agrees that trade may be carried on in India, including places like (1) Kalimpong, (2) Siliguri and (3) Calcutta, according to customary practice.

2. The Government of China agrees to specify (1) Gartok, (2) Pulanchung (Taklakot), (3) Gyanima-Kharga, (4) Gyanima-Chakra, (5) Rampura, (6)
Dongbra, (7) Puling-Sumdo, (8) Nabra, (9) Shangtse and (10) Tashigong as markets for trade; the Government of India agrees that in future, when in accordance with the development and need of trade between the Ari District of Tibet Region of China and India, it has become necessary to specify markets for trade in the corresponding district in India adjacent to the Ari District of Tibet Region of China, it will be prepared to consider on the basis of equality and reciprocity to do so.

Article III

The High contracting parties agree that pilgrimage by religious believers of the two countries shall be carried on in accordance with the following provisions:

(1) Pilgrims from India of lamaist, Hindu and Buddhist faith may visit Kang Rimpoche (Kailas) and Mavem Tso (Manasarovar) in Tibet Region of China in accordance with custom

(2) Pilgrims from Tibet region of China lamaist and Buddhist faiths may visit Banaras, Sarnath, Gaya and Sanchi in India in Accordance with custom

(3) Pilgrims customary visiting Lhasa may continue to do so in accordance with custom.

Article I

Trader and pilgrims of both countries may travel by following passes and route:

(1) Shipki la pass, (2) Mana pass, (3) Niti pass, (4) Kungri Bingri pass, (5) Darma pass and (6) Lipu lekh pass.

Also, the customary route leading to Tashigong align the valley of the Shangatsanpu (Indus) River may continue to be traversed in accordance with custom.

Article V

For traveling across the border, the High counteracting parties agree that diplomatic personal, officials and nationals of the two countries shall hold passports issue by
their own respective countries and visa by the other Party except as provide in paragraph 1, 2, 3 and 4 of this Article.

(1) Traders of both countries known to be customarily and specifically engaged in trade between Tibet region of China and India, their wives, children who are dependent on them for livelihood and their attendants will be allowed entry for purpose of trade into India or Tibet Region of China, as the case may be, in accordance with the custom of the production certificate duly issued by the local Government of their own country or by its duly authorized agents and examined by the border check-post of the other party.

(2) Inhabitants of the border district of two countries who cross the border to carry on petty trade or to visit friends and relatives may proceed to the border district of the other party as they have customary done heretofore and need not to be restricts the passes and route specified in Article IV above and shall be required to hold passport, visa or permits.

(3) Porters and mule team drivers of the two countries who cross borders to perform necessary transportation service need not need passport issue by their own country, but shall only hold certificates good for a definite period of time (three months, half a year or one year) duly issued by the local government of their own country or by its duly authorized agents and produce them for registration at the border check posts of the other party.

(4) Pilgrims of both countries need not carry documents of certification but shall register at the border checkpost of the other party and receive a permit for pilgrimage.

(5) Not withstand the provision of the foregoing paragraphs of this Article, either Government may refuse entry to any particular person.

(6) Person who enters the territory of the other Party in accordance with the foregoing paragraph of this Article may stay within its territory only after complying with the procedure specified by the other party.
MAP 2: THE NORTH-EAST FRONTIER TRIBAL GROUPS

Based upon Survey of India map with the permission of the Surveyor General of India. (© Government of India, 1969)

MAP 3: THE NORTH-EAST FRONTIER 1883 WITH INNER/OUTER LINES
MAP 4: Tibet, the Kokonor Territory and the Szechuan Frontier Territory (1913-18)

Source: Parasitaria Merra (1774). The Mission; Life and After : A Study of the Triangular Conflict of India’s North-East Frontier Between Britain, China and Tibet, 1909-17 (Collins, Macmillan) p. 117
Article VI

The present Agreement shall come into effect upon ratification by both Governments and shall remain in force for eight (8) years. Extension of the present Agreement may be negotiated by the two parties if either Party request for it six (6) months prior to the expiry of the Agreement and the request is agreed to by the other Party.

Done in duplicate in Peking on the twenty-ninth day of April 1954 in the Hindi, Chinese and English languages, all text being equally valid.

(Sd.) NEDYAM RAGHAVAN, (Sd) CHANG HAN-FU,
Plenipotentiary of the Plenipotentiary of the
Government of the Central People's
Republic India. Government, People's
Republic of China.

India-China Joint Press Communiqué Issued on December 23, 1988

At the invitation of Premier Li Peng of the State Council of the People’s Republic of China, Prime Minister Rajiv Gandhi of the Republic of India made an official goodwill visit to the People’s Republic of China from December 19 to 23, 1988. Accompanying His Excellency Prime Minister Rajiv Gandhi on his visit to China were Mrs. Sonia Gandhi, Mr. Narasimha Rao, Minister of External Affairs of India, Mr. Dinesh Singh, Minister of Commerce, Dr. B. Shankaranand, Minister of Law and Justice and Water Resources, Mr. K. Natwar Singh, Minister of State for External Affairs and other Indian officials.

Premier Li Peng and Prime Minister Rajiv Gandhi held talks in an atmosphere of friendship, candidness and mutual understanding. President Yang Shangkun of the People’s Republic of China, General Secretary Zhao Ziyang of the Central Committee of the Communist Party of China (CPC) and chairman Deng Xiaoping of the Military commission of the CPC Central Committee had separate meetings with Prime Minister Rajiv Gandhi. During his visit, the two Governments signed the Agreement on cooperation in the field of Science and Technology, the Agreement Relating to Civil Air Transport and the Executive Programme for the Years 1988, 1999 and 1990 under the Agreement for Cultural Cooperation. Both the Premier and the Prime Minister were present at the signing ceremony. Prime Minister Rajiv Gandhi, Mrs. Gandhi and their party also toured historical sites and scenic spots in Beijing, Xian and Shanghai.

During their talks and meetings, the leaders of the two countries had a wide exchange of views and ideas on bilateral relations and international issues of mutual interest. Both sides found such talks and meetings useful as they enhanced mutual understanding in the interest of further improvement and development of bilateral relations. The two sides made a positive appraisal of the cooperation and exchanges in recent years in trade, culture, science and technology, civil aviation and other fields, and expressed satisfaction with the relevant agreements reached between the two countries. They emphasized the vast scope that existed for learning from each other.
They emphasized that the Five Principles of mutual respect for sovereignty and territorial integrity, mutual non-interference in each other’s internal affairs, equality and mutual benefit, and peaceful coexistence, which were jointly initiated by India and China, which have proved full of vitality through the test of history, constitute the basic guiding principles for good relations between states. These principles also constitute the basis guidelines for the establishment of a new international political order and the New International Economic Order. Both sides agreed that their common desire was to restore improve and develop India-China good-neighbourly and friendly relations on the basis of these principles. This not only conforms to the fundamental interests of the two peoples, but will actively contribute to peace and stability in Asia and the world as a whole. The two sides reaffirmed that they would make efforts to further their friendly relations.

The leaders of the two countries held earnest, in-depth discussions on the India-China boundary question and agreed to settle this question through peaceful and friendly consultations. They also agreed to develop their relations actively in other fields and work hard to create a favorable climate and conditions for a fair and reasonable settlement of the boundary question while seeking a mutually acceptable solution to this question. In this context, concrete steps will be taken, such as establishing a joint working group on the boundary question and a joint group on economic relations and trade and science and technology.

The Chinese side expressed concern over anti-China activities by some Tibetan elements in India. The Indian side reiterated the long-standing and consistent policy of China and that anti-China political activities by Tibetan elements are not permitted on Indian soil.

With regards to the international situation, the two sides held that in the present-day world, confrontation was giving way to dialogue and tension to relaxation. This is a trend resulting from long years of unswerving struggle by the peace-loving countries and people of the world against power politics. It is conducive to world peace and to the settlement of regional problems. It also facilitates the efforts of all countries, the developing countries in particular, to develop their national economics. India and
China will make their own contribution to the maintenance of world peace, promotion of complete disarmament and attainment of common progress.

His Excellency Prime Minister Rajiv Gandhi, Sonia Gandhi and their party expressed heartfelt thanks to the Government and people of the Peoples Republic of China for the warm and friendly hospitality accorded to them.

Prime Minister Rajiv Gandhi has invited Premier Li Peng to visit the Republic of India at his convenience. Premier Li Peng has accepted the invitation with pleasure. The date of the visit will be decided upon through diplomatic channels.

AGREEMENT BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF INDIA
AND
THE GOVERNMENT OF THE PEOPLE’S REPUBLIC OF CHINA
ON THE MAINTENANCE OF PEACE AND TRANQUILITY
ALONG THE LINE OF ACTUAL CONTROL IN THE INDIA CHINA
BORDER AREAS

The Government of the Republic of India and the Government of the People’s Republic of China, (hereinafter referred to as the two sides), have entered into the present agreement in accordance with the five principles of mutual respect for sovereignty and territorial integrity, non-aggression, non interference into each other’s internal affairs, equality and mutual benefit and peaceful coexistence and with a view to maintaining peace and tranquillity along the line of actual control in the India-China border areas, Have agreed as follows:

**Article I**

The two sides are of the view that the India-China boundary question shall be resolved through peaceful and friendly consultations. Neither side shall use or threaten to use force against the other by any means. Pending an ultimate solution to the boundary question between the two countries, the two sides shall strictly respect and observe the line of actual control between the two sides. No activities of either side shall overstep the line of actual control. In case personnel of one side cross the line of actual control, upon being cautioned by the other side, they shall immediately pull back to their own side of the line of actual control. When necessary, the two sides shall jointly check and determine the segments of the line of actual control where they have different views as to its alignment.

**ARTICLE II**

Each side will keep its military forces in the areas along the line of actual control to a minimum level compatible with the friendly and good neighbourly relations between the two countries. The two sides agree to reduce their military forces along the line of actual control in conformity with the requirements of the principle of mutual and equal security to ceilings to be mutually agreed. The extent, depth, timing and nature
of reduction of military forces along the line of actual control shall be determined through mutual consultation between the two countries. The reduction of military forces shall be carried out by stages in mutually agreed geographical locations sector wise within the areas along the line of actual control.

ARTICLE III
Both sides shall work out through consultations effective confidence building measures in the areas along the line of actual control. Neither side will undertake specified levels of military exercises in mutually identified zones. Each side shall give the other prior notification of military exercises of specified levels near the line of actual control permitted under this Agreement.

ARTICLE IV
In case of contingencies or other problems arising in the areas along the line of actual control, the two sides shall deal with them through meetings and friendly consultations between border personnel of the two countries. The form of such meetings and channels of communications between the border personnel shall be mutually agreed upon by the two sides.

ARTICLE V
The two sides agree to take adequate measures to ensure that air intrusions across the line of actual control do not take place and shall undertake mutual consultations should intrusions occur. Both sides shall also consult on possible restrictions on lair exercises in areas to be mutually agreed near the line of actual control.

ARTICLE VI
The two sides agreed that references to the line of actual control in this agreement do not prejudice their respective positions on the boundary question.

ARTICLE VII
The two sides shall agree through consultations on the form, method, Scale and content of effective verification measures and supervision required for the reduction of military forces and the maintenance of peace and tranquillity in the areas along the line of actual control under this agreement.
ARTICLE VIII
Each side of the India-China Joint Working Group on the Boundary Question shall appoint diplomatic and military experts to formulate, through mutual consultations, implementation measures for the present Agreement. The experts shall advise the Joint Working Group on the resolution of differences between the two sides on the alignment of the line of actual control and address issues relating to the redeployment with a view to reduction of military forces in the areas along the line of actual control. The experts shall also assist the Joint Working Group in supervision of the implementation of the Agreement, and settlement of differences that may arise in that process, based on the principle of good faith and mutual confidence.

ARTICLE IX
The present Agreement shall come into effect as of the date of signature and is subject to amendment and addition by agreement of the two sides.
Signed in duplicates at Beijing on the 7th September, 1993 in the Hindi, Chinese and English languages, all three texts having equal validity.

For the Government of
The Republic of India

For the Government of
People’s Republic of China

Ministry of External Affairs, Government of India, 7th September, 1993
Source: - Bilateral Treaties & Documents
AGREEMENT BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF INDIA
AND
THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA
ON CONFIDENCE BUILDING MEASURES IN THE MILITARY
FIELD ALONG
THE LINE OF ACTUAL CONTROL IN THE INDIA-CHINA
BORDER AREAS

The Government of the Republic of India and the Government of the People's Republic of China (hereinafter referred to as the two sides),
Believing that it serves the fundamental interests of the peoples of India and China to foster a long-term good neighbourly relationship in accordance with the five principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit and peaceful co-existence,
Convinced that the maintenance of peace and tranquility along the line of actual control in the India-China border areas accords with the fundamental interests of the two peoples and will also contribute to the ultimate resolution of the boundary question,
Reaffirming that neither side shall use or threaten to use force against the other by any means to seek unilateral military superiority,
Pursuant to the Agreement between the Government of the Republic of India and the Government of the People's Republic of China on the Maintenance of Peace and Tranquility along the Line of Actual Control in the India-China Border Areas, signed on 7 September 1993,
Recognising the need for effective confidence building measures in the military field along the line of actual control in the border areas between the two sides,
Noting the utility of confidence building measures already in place along the line of actual control in the India-China border areas,
Committed to enhancing mutual confidence and transparency in the military field,
Have agreed as follows:

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ARTICLE I
Neither side shall use its military capability against the other side. No armed forces deployed by either side in the border areas along the line of actual control as part of their respective military strength shall be used to attack the other side, or engage in military activities that threaten the other side or undermine peace, tranquillity and stability in the India-China border areas.

ARTICLE II
The two sides reiterate their determination to seek a fair, reasonable and mutually acceptable settlement of the boundary question. Pending an ultimate solution to the boundary question, the two sides reaffirm their commitment to strictly respect and observe the line of actual control in, the India-China border areas, No activities of either side shall overstep the line of actual control.

ARTICLE III
The two sides agree to take the following measures to reduce or limit their, respective military forces within mutually agreed geographical zones along the line of actual control in the India-China border areas:
(1) The two sides reaffirm that they shall reduce or limit their respective military forces within mutually agreed geographical zones along the line of actual control in the India-China border areas to minimum levels compatible with the friendly and good neighbourly relations between the two countries and consistent with the principle of mutual and equal security.
(2) The two sides shall reduce or limit the number of field army, border defence forces, Para-military forces and any other mutually agreed category of armed forces deployed in mutually agreed geographical zones along the line of actual control to ceilings to be mutually agreed upon. The major categories of armaments to be reduced or limited are as follows: combat tanks, infantry combat vehicles, guns (including howitzers) with 75 mm or bigger calibre, mortars with 120 mm or bigger calibre, surface-to-surface missiles, surface-to-air missiles and any other weapon system mutually agreed upon.
(3) The two sides shall exchange data on the military forces and armaments to be reduced or limited and decide on ceilings on military forces and armaments to be kept
by each side within mutually agreed geographical zones along the line of actual control in the India-China border areas. The ceilings shall be determined in conformity with the requirement of the principle of mutual and equal security, with due consideration being given to parameters such as the nature of terrain, road communications and other infrastructure and time taken to induct/deinduct troops and armaments.

**ARTICLE IV**

In order to maintain peace and tranquility along the line of actual control in the India-China border areas and to prevent any tension in the border areas due to misreading by either side of the other side’s intentions:

(1) Both sides shall avoid holding large scale military exercises involving more than one Division (approximately 15,000 troops) in close proximity of the line of actual control in the India-China border areas. However, if such exercises are to be conducted, the strategic direction of the main force involved shall not be towards the other side.

(2) If either side conducts a major military exercise involving more than one Brigade (approximately 5,000 troops) in close proximity of the line of actual control in the India-China border areas, it shall give the other side prior notification with regard to type, level, planned duration and formations participating in the exercise.

(3) The date of completion of the exercise and deinduction of troops from the areas of exercise shall be intimated to the other side within five days of completion or deinduction.

(4) Each side shall be entitled to obtain timely clarification from the side undertaking the exercise in respect of data specified in Paragraph 2 of the present Article.

**ARTICLE V**

With a view to preventing air intrusions across the line of actual control in the India-China border areas and facilitating over flights and landings by military aircraft:

(1) Both sides shall take adequate measures to ensure that air intrusions across the line of actual control do not take place. However, if an intrusion does take place, it should cease as soon as detected and the incident shall be promptly investigated by the side operating the aircraft. The results of the investigation shall be immediately
communicated, through diplomatic channels or at border personnel meetings, to the other side.

(2) Subject to Paragraphs 3 and 5 of this Article, combat aircraft (to include fighter, bomber, reconnaissance, military trainer, armed helicopter and other armed aircraft) shall not fly within ten kilometers of the line of actual control.

(3) If either side is required to undertake flights of combat aircraft within ten kilometers from the line of actual control, it shall give the following information in advance to the other side, through diplomatic channels:
(a) Type and number of combat aircraft;
(b) Height of the proposed flight (in meters);
(c) Proposed duration of flights (normally not to exceed ten days);
(d) Proposed timing of flights; and
(e) Area of operations defined in latitude and longitude.

(4) Unarmed transport aircraft, survey aircraft and helicopters shall be permitted to fly up to the line of actual control.

(5) No military aircraft of either side shall fly across the line of actual control, except by prior permission. Military aircraft of either side may fly across the line of actual control or overfly the other side's airspace or land on the other side only after obtaining the latter's prior permission after providing the latter with detailed information on the flight in accordance with the international practice in this regard. Notwithstanding the above stipulation, each side has the sovereign right to specify additional conditions, including at short notice, for flights or lands of military aircraft of the other side on its side of the line of actual control or through its airspace.

(6) In order to ensure flight safety in emergency situations, the authorities designated by the two sides may contact each other by the quickest means of communications available.

ARTICLE VI

With a view to preventing dangerous military activities along the line of actual control in the India-China border areas, the two sides agree as follows:

(1) Neither side shall open fire, cause biodegradation, use hazardous chemicals, conduct blast operations or hunt with guns or explosives within two kilometers from the line of actual control. This prohibition shall not apply to routine firing activities in small arms firing ranges.
(2) If there is a need to conduct blast operations within two kilometers of the line of actual control as part of developmental activities, the other side shall be informed through diplomatic channels or by convening a border personnel meeting, preferably five days in advance.

(3) While conducting exercises with live ammunition in areas close to the line of actual control, precaution shall be taken to ensure that a bullet or a missile does not accidentally fall on the other side across the line of actual control and causes harm to the personnel or property of the other side.

(4) If the border personnel of the two sides come in a face-to-face situation due to differences on the alignment of the line of actual control or any other reason, they shall exercise self-restraint and take all necessary steps to avoid an escalation of the situation. Both sides shall also enter into immediate consultations through diplomatic and/or other available channels to review the situation and prevent any escalation of tension.

ARTICLE VII

In order to strengthen the cooperation between their military personnel and establishments in the border areas along the line of actual control, the two sides agree:

(1) To maintain and expand the regime of scheduled and flag meetings between their border representatives at designated places along the line of actual control;

(2) To maintain and expand telecommunication links between their border meeting points at designated places along the line of actual control:

(3) To establish step-by-step medium and high-level contacts between the border authorities of the two sides.

ARTICLE VIII

(1) Should the personnel of one side cross the line of actual control and enter the other side because of unavoidable circumstances like natural disasters, the other side shall extend all possible assistance to them and inform their side, as soon as possible, regarding the forced or inadvertent entry across the line of actual control. The modalities of return of the concerned personnel to their own side shall be settled through mutual consultations.

(2) The two sides shall provide each other, at the earliest possible, with information pertaining to natural disasters and epidemic disasters in contiguous border areas
which might affect the other side. The exchange of information shall take place either through diplomatic channels or at border personnel meetings,

ARTICLE IX
In case a doubtful situation develops in the border region, or in case one of the sides has some questions or doubts regarding the manner in which the other side is observing this Agreement, either side has the right to seek a clarification from the other side. The clarifications sought and replies to them shall be conveyed through diplomatic channels.

ARTICLE X
(1) Recognising that the full implementation of some of the provisions of the present Agreement will depend on the two sides arriving at a common understanding of the alignment of the line of actual control in the India-China border areas, the two sides agree to speed up, the process of clarification and confirmation of the line of actual control. As an initial step in this process, they are clarifying the alignment of the line of actual control in those segments where they have different perceptions. They also agree to exchange maps indicating their respective perceptions of the entire alignment of the line of actual control as soon as possible.
(2) Pending the completion of the process of clarification and confirmation of the line of actual control, the two sides shall work out modalities for implementing confidence building measures envisaged under this Agreement on an interim basis, without prejudice to their respective positions on the alignment of the line of actual control as well as the boundary question.

ARTICLE XI
Detailed implementation measures required under Article I to X of this Agreement shall be decided through mutual consultations in the India-China Joint Working Group on the Boundary Question. The India-China Diplomatic and Military experts Group shall assist the India-China Joint Working Group in devising implementation measures under the Agreement.

ARTICLE XII
This Agreement is subject to ratification and shall enter into force on the date of exchange of instruments of ratification.

It shall remain in effect until either side decides to terminate it after giving six months’ notice in writing. It shall become invalid six months after the notification.

This agreement is subject to amendment and addition by mutual agreement in writing between the two sides.

Signed in duplicates in New Delhi on 29 November, 1996 in the Hindi, Chinese and English languages, all three texts, being equally authentic. In case of divergence, the English text shall prevail.

For the Government of

The Republic of India

Ministry of External Affairs, Government of India, New Delhi, 29 November, 1996

For the Government of the

People’s Republic of China

Source: - Bilateral Treaties & Documents

Ministry of External Affairs, Government of India, New Delhi, 29, November, 1996.
Declaration on Principles for Relations and Comprehensive Cooperation Between the Republic of India and the People's Republic of China.

23/06/2003

At the invitation of Premier of the State Council of the People's Republic of China H.E. Wen Jiabao, Prime Minister of the Republic of India H.E. Atal Bihari Vajpayee paid an official visit to the People's Republic of China from 22 to 27 June 2003.

During this visit, Premier Wen Jiabao held talks with Prime Minister Vajpayee. Their Excellencies President Hu Jintao of the People's Republic of China, Chairman Jiang Zemin of the Central Military Commission, Chairman Wu Bangguo of the Standing Committee of the National People's Congress and Vice President Zeng Qinghong of the People's Republic of China held separate meetings with Prime Minister Vajpayee.

The talks and meetings were held in a sincere and friendly atmosphere.

Leaders from both countries noted with satisfaction the progress made over recent years in bilateral relations. This is conducive not only to their respective development, but also to regional stability and prosperity. The two sides recalled the historical depth of their friendly contacts. India and China are the two largest developing countries of the world with centuries-old civilization, unique history and similar objectives. Both noted that the sustained economic and social development in the two countries, representing one third of humanity is vital for ensuring peace, stability and prosperity not only in Asia but also in the whole world.

The two sides agreed that India and China have a mutual desire for good neighborly relations and have broad common interests. They agreed to fully utilize the substantial potential and opportunities for deepening mutually beneficial cooperation.

Friendship and cooperation between the two countries meets the need to:

- promote the socio-economic development and prosperity of both India and China;
- maintain peace and stability regionally and globally;
- strengthen multipolarity at the international level; and
- enhance the positive factors of globalization.
Both sides affirmed that they would abide by the following principles, promote a long-term constructive and cooperative partnership and, on this basis, build a qualitatively new relationship:

Both sides affirmed that they would abide by the following principles, promote a long-term constructive and cooperative partnership and, on this basis, build a qualitatively new relationship:

Both sides are committed to developing their long-term constructive and cooperative partnership on the basis of the principles of Panchsheel, mutual respect and sensitivity for each other's concerns and equality;

As two major developing countries, India and China have a broad mutual interest in the maintenance of peace, stability and prosperity in Asia and the world, and a mutual desire in developing wider and closer cooperation and understanding in regional and international affairs;

The common interests of the two sides outweigh their differences. The two countries are not a threat to each other. Neither side shall use or threaten to use force against the other; and Both sides agree to qualitatively enhancing the bilateral relationship at all levels and in all areas while addressing differences through peaceful means in a fair, reasonable and mutually acceptable manner. The differences should not be allowed to affect the overall development of bilateral relations.

Both sides agreed to hold regular high-level exchanges between the two countries. This will greatly enhance mutual understanding and expand bilateral relations. With a view to deepening their coordination and dialogues on bilateral, regional and international issues, both sides agreed on the need for annual meetings between Foreign Ministers of the two countries. They also agreed that personnel exchanges and friendly contacts between ministries, parliaments and political parties of the two countries should be further enhanced.
The two sides welcomed the positive momentum of bilateral trade and economic cooperation in recent years and shared the belief that continued expansion and intensification of India-China economic cooperation is essential for strengthening bilateral relations.

Both sides shared the view that existing complementarities between their two economies provide an important foundation and offer broad prospects for further enhancing their economic relations. In order to promote trade and economic cooperation, both sides will take necessary measures consistent with their national laws and rules and international obligations to remove impediments to bilateral trade and investment. They reaffirmed the importance of the ministerial meeting of the Joint Economic Group (JEG) and agreed to hold the next (seventh) JEG meeting within the year.

The two sides will set up a compact Joint Study Group (JSG) composed of officials and economists to examine the potential complementarities between the two countries in expanded trade and economic cooperation. The JSG would also draw up a programme for the development of India-China trade and economic cooperation for the next five years, aimed at encouraging greater cooperation between the business communities of both sides. The Group should present a study report and recommendations to the two Governments on measures for comprehensive trade and economic cooperation by the end of June 2004.

The two countries will launch a financial dialogue and cooperation mechanism to strengthen their dialogue and coordination in this sector.

The two sides agreed to enhance cooperation at the World Trade Organization, which is not only to mutual benefit but also in the broader interest of developing countries. The two sides will hold dialogues on a regular basis in this regard.

Historical and cultural links between India and China will be strengthened, inter-alia, through the promotion of exchanges in culture, education, science and technology, media, youth and people-to-people relations. They agreed to
set up Cultural Centers in each other’s capitals and facilitate their establishment.

Both sides will work towards the enhancement of direct air and shipping links, tourism, exchange hydrological data in flood season on common rivers as agreed, cooperation in agriculture, dairy, food processing, health and other sectors.

They agreed on the need to broaden and deepen defence exchanges between the two countries, which will help enhance and deepen the mutual understanding and trust between the two armed forces. They confirmed that the exchange of visits by their Defence Ministers and of military officials at various levels should be strengthened.

The two sides exchanged views on the India-China boundary question and expounded their respective positions. They reiterated their readiness to seek a fair, reasonable and mutually acceptable solution through consultations on an equal footing. The two sides agreed that pending an ultimate solution, they should work together to maintain peace and tranquility in the border areas, and reiterated their commitment to continue implementation of the agreements signed for this purpose, including the clarification of the Line of Actual Control.

The two sides agreed to each appoint a Special Representative to explore from the political perspective of the overall bilateral relationship the framework of a boundary settlement.

The Indian side recognizes that the Tibet Autonomous Region is part of the territory of the People’s Republic of China and reiterates that it does not allow Tibetans to engage in anti-China political activities in India. The Chinese side expresses its appreciation for the Indian position and reiterates that it is firmly opposed to any attempt and action aimed at splitting China and bringing about “independence of Tibet”.

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The Indian side recalled that India was among the first countries to recognize that there is one China and its one China policy remains unaltered. The Chinese side expressed its appreciation of the Indian position.

India and China recognized the primacy of maintaining international peace. This is a prerequisite for the socio-economic development of all developing countries, including India and China. The world is marked by diversity. Every country has the right to choose its own political system and path to development. As two major developing countries, India and China acknowledged the importance of their respective roles in the shaping of a new international political and economic order. The international community must help the developing countries to eliminate poverty and narrow the gap between the North and the South through dialogue and cooperation so as to achieve common prosperity.

The two sides acknowledged the vital importance of the role of the United Nations in world peace, stability and development. They are determined to continue their efforts in strengthening the UN system. They reaffirmed their readiness to work together to promote reform of the UN. In reform of the UN Security Council, priority should be given to enhancing representation of the developing countries.

Both sides stood for continued multilateral arms control and disarmament process, undiminished and equal security for all at progressively lower levels of armament and for multilateral negotiations aimed at nuclear disarmament and elimination of nuclear weapons. They are firmly opposed to introduction of weapons in outer space, use or threat of force against space-based objects and support cooperation in development of space technology for peaceful purposes.

The two sides recognised the threat posed by terrorism to them and to global peace and security. They resolutely condemned terrorism in any form. The struggle between the international community and global terrorism is a comprehensive and sustained one, with the ultimate objective of eradication of terrorism in all regions. This requires strengthening the global legal framework.
against terrorism. Both sides shall also promote cooperation on counter-terrorism through their bilateral dialogue mechanism.

India and China face special and similar challenges in their efforts to protect the environment while simultaneously forging ahead with rapid social and economic development of their countries. In this context, the two sides agreed to work together in a practical manner to cooperate on preserving the environment and ensuring sustainable development and to coordinate positions on climate change, biodiversity and other issues in relevant multilateral fora.

The two sides supported multilateral cooperation in Asia, believing that such cooperation promotes mutually beneficial exchanges, economic growth as well as greater cohesion among Asian countries. The two sides viewed positively each other's participation in regional and sub-regional multilateral cooperation processes in Asia.

The two sides stated that the improvement and development of India-China relations is not targeted at any third country and does not affect either country's existing friendly relations and cooperation with other countries.

The two sides agreed that the official visit of the Prime Minister of India to the People's Republic of China has been a success, has contributed to enhancing mutual understanding and trust between the Governments, leaders and peoples of the two countries, and marks a new step forward in strengthening the all-round cooperation between India and China in the new century.

Prime Minister Vajpayee invited Premier Wen Jiabao to visit India at a mutually convenient time and conveyed to President Hu Jintao an invitation from President Abdul Kalam to visit India. The Chinese side accepted the invitations with appreciation. The dates of the visits will be settled through diplomatic channels. On behalf of the Government and the people of India, H.E Prime Minister Atal Bihari Vajpayee thanked the Government and the people of China for the warm welcome received by him and his delegation.
Signed in Beijing on 23 June 2003 in the Hindi, Chinese and English languages.

(Atal Bihari Vajpayee)  (Wen Jiabao)
Prime Minister, The Republic of India  Premier of the State Council of
The People’s Republic of China


Source: - Bilateral Treaties & Documents
Ministry of External Affairs, Government of India, New Delhi, 23, June, 2003
Joint Statement of the Republic of India and the People’s Republic of China

11/04/2005

I. H.E. Mr. Wen Jiabao, Premier of the State Council of the People’s Republic of China, is currently paying a state visit to the Republic of India from 9 to 12 April 2005 at the invitation of H.E. Dr. Manmohan Singh, Prime Minister of the Republic of India.

During the visit, Premier Wen Jiabao held talks with Prime Minister Dr. Manmohan Singh, called on President Dr. A.P.J. Abdul Kalam and Vice President Shri Bhairon Singh Shekhawat, and met with Chairperson, United Progressive Alliance Smt. Sonia Gandhi. External Affairs Minister Shri K. Natwar Singh and Leader of Opposition, Lok Sabha Shri L.K. Advani will call on him. Premier Wen paid a visit to Bangalore and will deliver a speech at the Indian Institute of Technology in New Delhi.

Leaders of the two countries had an in-depth exchange of views in a sincere, friendly and constructive atmosphere and reached broad consensus on bilateral relations and international and regional issues of common concern.

II. The two sides reviewed the friendly contacts and progress in their bilateral relations in recent years and agreed that India-China relations have entered a new stage of comprehensive development. Both sides noted with satisfaction that with the frequent exchange of visits between leaders of the two countries, the process of building trust and understanding has gained momentum. Rapid growth of trade and economic cooperation has been coupled with the expansion of exchanges and cooperation in other fields. The two sides have made incremental progress in addressing outstanding issues. The two sides have also maintained good communication and collaboration in international and regional affairs. Both sides agreed that India and China have made satisfying progress in developing their long-term constructive and cooperative partnership.
The two sides recalled the Declaration on Principles for Relations and Comprehensive Cooperation between the two Prime Ministers on 23 June 2003 and reiterated that the Declaration provided a shared vision of bilateral relations and an agreed framework for cooperation.

III. In the light of the development of their bilateral relations, in order to promote good neighbourliness, friendship and mutually beneficial cooperation and taking into account the profound changes in the regional and international situation, the two sides agreed that India-China relations have now acquired a global and strategic character. The leaders of the two countries have, therefore, agreed to establish an India-China Strategic and Cooperative Partnership for Peace and Prosperity.

Such a partnership is based on the principles of Panchsheel, mutual respect and sensitivity for each other's concerns and aspirations, and equality; provides a sound framework for an all-round and comprehensive development of bilateral relations based on mutual and equal security, development and prosperity of the two peoples; and contributes to jointly addressing global challenges and threats. It reflects the readiness of the two sides to resolve outstanding differences in a proactive manner without letting them come in the way of the continued development of bilateral relations.

IV. The two sides agreed that high-level exchanges between the governments, parliaments and political parties of the two countries play an important role in expanding overall bilateral cooperation. They conveyed their determination to maintain and strengthen the momentum of such exchanges in future and agreed to hold regular meetings between the leaders of the two countries. In this context, the two sides also reiterated their intention to promote regular ministerial-level exchanges and make full use of the India-China strategic dialogue and other bilateral dialogue mechanisms.

V. The year of 2005 marks the 55th anniversary of the establishment of diplomatic relations between India and China. To mark the occasion, the two countries will organize a series of commemorative activities. It was noted that “Cultural Festival of
China” was currently underway in India and that a corresponding “Cultural Festival of India” would be organized in China later in the year. The two sides would also organize other cultural activities to further promote mutual awareness and deepen the friendship between the two peoples. The two sides declared 2006 as the “year of India-China friendship”.

Both sides expressed satisfaction with strengthened exchanges in the area of culture, and affirmed that mutual understanding and cultural exchanges would facilitate development of cooperation in other areas as well. In order to reinforce traditional cultural links, an agreement was concluded for the construction of an Indian-style Buddhist temple at Luoyang in Henan Province of China.

VI. The two sides stressed that an all-round expansion of India-China economic cooperation, including trade and investment, constitutes an important dimension of a stronger India-China relationship. The two countries agreed to make joint efforts to increase the bilateral trade volume to US$ 20 billion or higher by 2008. The two sides welcomed the report of the Joint Study Group (JSG) that was set up to examine the potential complementarities between the two countries in expanded trade and economic cooperation. The JSG in its Report has identified a series of measures related to trade in goods, trade in services, investments and other areas of economic cooperation, and recommended their expeditious implementation to remove impediments and facilitate enhanced economic engagement between India and China. The two Prime Ministers tasked the Ministerial-level India-China Joint Economic Group (JEG) to consider these recommendations and coordinate their implementation. For this purpose, the two sides will make their best endeavour to hold the next meeting of the JEG within the next six months. The JSG has also recommended an India-China Regional Trading Arrangement, comprising of trade in goods and services, investments, identified understandings for trade and investment promotion and facilitation, and measures for promotion of economic cooperation in identified sectors. The Prime Ministers agreed to appoint a Joint Task Force to study in detail the feasibility of, and the benefits that may derive from, the India-China Regional Trading Arrangement and give recommendations regarding its content.

Both sides noted that the Agreement on the Establishment of a Financial Dialogue Mechanism would further facilitate the dynamic and diversifying economic
cooperation between the two sides. They will continue consultations on concluding the Bilateral Investment Promotion and Protection Agreement.

The two sides noted with satisfaction that the two countries have signed the SPS Protocols for the export of grapes and bitter gourd from India to China. The two sides also agreed to constitute a Joint Working Group to implement expeditiously the MOU on Application of SPS between the Chinese General Administration of Quality Supervision, Inspection and Quarantine and the Indian Ministry of Agriculture.

China positively evaluates market access for Indian rice to the Chinese market and will launch as early as possible the risk analysis procedure of the Indian rice in accordance with relevant Chinese laws and regulations.

VII. The two sides agreed to further promote the cooperation in the spheres of education, science and technology, healthcare, information, tourism, youth exchange, agriculture, dairy development, sports and other fields on the basis of mutual benefit and reciprocity. The two sides decided to establish an India-China Steering Committee on Scientific and Technological Cooperation chaired by their Ministers for Science and Technology, and start consultations on an agreement on mutual recognition of academic certificates and degrees between India and China. The two sides announced the launching of regular youth exchange activities. China will invite 100 Indian youth to China within the year of 2005 and hold an exhibition this year on advanced and applicable technologies in India.

VIII. The two sides recognized the importance of strengthening mutual connectivity and agreed to jointly work towards further enhancement of direct air and shipping links, tourism and people-to-people contacts. It was noted with satisfaction that an MOU on major liberalisation of civil aviation links between India and China was concluded during the visit.

IX. The two sides will continue to cooperate in exchanging flood-season hydrological data of the trans-border rivers as agreed between them.

In response to concerns expressed by the Indian side, the Chinese side agreed to take measures for controlled release of accumulated water of the landslide dam on the river Parechu, as soon as conditions permit. It was noted with satisfaction that an
agreement concerning the provision of hydrological data on Sutlej/Langqen Zangbo was concluded during the visit and that the two sides had also agreed to continue bilateral discussions to finalize at an early date similar arrangements for the Parlung Zangbo and Lohit/Zayu Qu Rivers.

The two sides agreed to cooperate in the field of energy security and conservation, including, among others, encouraging relevant departments and units of the two countries to engage in the survey and exploration of petroleum and natural gas resources in third countries.

X. The two sides noted the useful exchanges and interaction in the military field and decided to further promote such exchanges and interaction. They agreed that broadening and deepening of defense exchanges between the two countries was of vital importance in enhancing mutual trust and understanding between the two armed forces, and to ensuring a peaceful environment in which they could pursue their respective national development objectives. The two sides decided to further strengthen effective contacts and exchanges in this field.

XI. During the visit, the two sides exchanged views on the India-China boundary question and reiterated their readiness to seek a fair, reasonable and mutually acceptable solution, through equal and friendly consultations and proceeding from the overall interests of bilateral relations. They expressed satisfaction over the progress made in the discussions between the Special Representatives of the two countries and welcomed the conclusion of the Agreement on the Political Parameters and Guiding Principles for the Settlement of the Boundary Question. Both sides are convinced that an early settlement of the boundary question will advance the basic interests of the two countries and should therefore be pursued as a strategic objective. They expressed their commitment to the mechanism of Special Representatives for seeking a political settlement of the boundary question in the context of their long-term interests and the overall bilateral relationship.

Pending a final resolution, the two sides will continue to make joint efforts to maintain peace and tranquility in the border areas in accordance with the Agreements of 1993 and 1996. Both sides agreed that while continuing the discussions between the Special Representatives, it is also important that the Joint Working Group (JWG)
continues its work to seek an early clarification and confirmation of the Line of Actual Control (LAC). Progress made so far on the clarification of the LAC in the India-China border areas was noted. It was agreed to complete the process of exchanging maps indicating their respective perceptions of the entire alignment of the LAC on the basis of already agreed parameters, with the objective of arriving at a common understanding of the alignment, as soon as possible.

The two sides expressed satisfaction at the progress achieved in the implementation of the Agreements of 1993 and 1996 and agreed to fully implement them expeditiously. Towards that end, they concluded a Protocol on Modalities for the Implementation of Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas.

XII. The Indian side reiterated that it recognized the Tibet Autonomous Region as part of the territory of the People's Republic of China and that it did not allow Tibetans to engage in anti-China political activities in India.

The Indian side recalled that India was among the first countries to recognize that there is one China and its one China policy remains unaltered. The Indian side stated it would continue to abide by its one China policy.

The Chinese side expressed its appreciation for the Indian positions.

XIII. Both sides reviewed with satisfaction the implementation of the memorandum on the border trade through the Nathula Pass between the Tibet Autonomous Region of the People's Republic of China and the Sikkim State of the Republic of India.

XIV. The two sides noted with satisfaction that through friendly consultations an agreement in principle had been reached between the two countries to solve the long-pending issue of property originally belonging to Indian Consulate General in Shanghai with the Chinese side agreeing to provide a plot of land in lieu of the premises of the original Consulate General of India.

XV. As two large developing countries, both India and China were aware of each other's important role in the process of promoting the establishment of a new international political and economic order. Both sides share common interests in the
maintenance of peace, stability and prosperity in Asia and the world at large, and share the desire to develop closer and more extensive understanding and cooperation in regional and international affairs.

The two sides are supportive of democratization of international relations and multilateralism, stand for the establishment of a new international political and economic order that is fair, rational, equal and mutually beneficial, and promote North-South Dialogue and South-South Cooperation. The two sides believe that the international community should eliminate poverty, narrow the gap between North and South, and achieve common prosperity through dialogue and cooperation.

XVI. The two sides reiterated the importance of the United Nations in global peace, stability and common development and expressed their determination to continue their efforts, together with the international community, in strengthening the UN system to develop a sound multilateral basis to address global issues. Both India and China agree that reform of the United Nations should be comprehensive and multi-faceted and should put emphasis on an increase in the representation of developing countries. The Indian side reiterated its aspirations for permanent membership of the UN Security Council. The Chinese side also reiterated that India is an important developing country and is having an increasingly important influence in the international arena. China attaches great importance to the status of India in international affairs. It understands and supports India’s aspirations to play an active role in the UN and international affairs. The two sides reaffirmed their readiness to conduct close consultations and cooperation in the process of UN reforms.

XVII. The two sides, aware of the threats posed by terrorism to the peace and security of the two countries and the whole world, resolutely condemn terrorism in any form. The struggle between the international community and global terrorism is a comprehensive and sustained one, with the ultimate objective of eradication of terrorism in all regions. This requires strengthening the global legal framework against terrorism. Both sides noted the positive outcome of the meetings held so far of their bilateral dialogue mechanism on counter-terrorism and agreed to further strengthen and consolidate their discussions and cooperation. It was agreed to hold the next meeting of the dialogue mechanism on counter-terrorism later this year.
XVIII. Both sides agreed to conduct regular exchange of views on major international and regional issues, strengthen cooperation in the WTO and other international multilateral organizations, and to continue the consultations on other issues of common concern. They agreed to work together to preserve stability and growth in the global economy and reduce disparities between developed and developing countries. They supported an open, fair, equitable and transparent rule-based multilateral trade system and resolved to safeguard the legitimate rights and interests of the developing countries.

XIX. Aware of their linked destinies as neighbours and the two largest countries of Asia, both sides agreed that they would, together, contribute to the establishment of an atmosphere of mutual understanding, trust and cooperation in Asia and the world at large, and facilitate efforts to strengthen multilateral coordination mechanisms on security and cooperation.

XX. During the visit, the two sides signed and/or released the following documents.

i. Agreement on Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question

ii. Report of India-China Joint Study Group on Comprehensive Trade and Economic Cooperation

iii. Protocol on Modalities for the Implementation of CBMs in the Military Field Along the Line of Actual Control in the India-China Border Areas

iv. Agreement on Mutual Administrative Assistance and Cooperation in Customs Matters

v. MOU on the Launch of the India-China Financial Dialogue

vi. MOU on Civil Aviation

vii. Protocol of Phytosanitary Requirement for Exporting Grapes from India to China

viii. Protocol of Phytosanitary Requirement for Exporting Bitter Gourds from India to China

ix. MOU on Provision of Hydrological Information of the Sutlej /Langqen Zangbo River in Flood Season by China to India.
x. Protocol on India-China Film Cooperation Commission

xi. MOU on Cooperation between the Indian Council of World Affairs and the Chinese People’s Institute of Foreign Affairs

xii. Memorandum on the Construction of an Indian-style Buddhist Temple on the Western side of the White Horse Temple in Luoyang, China

XXI. The two sides believed that Premier Wen Jiabao’s highly successful State visit to the Republic of India marked a new level of India-China relationship and opened a new chapter in the friendly relations and cooperation between the two countries. Premier Wen Jiabao, on behalf of the Chinese Government and people, expressed his appreciation to the Government and the people of India for their warm hospitality, and invited Prime Minister Manmohan Singh to visit China at a mutually convenient time. Prime Minister Manmohan Singh appreciated the invitation and accepted it with pleasure. The Indian side also reiterated the invitation to President Hu Jintao to visit India. The exact time of the visit will be decided through diplomatic channels.

Prime Minister of the Republic of India Premier of the State Council of the People’s Republic of China

New Delhi

April 11, 2005

Ministry of External Affairs, Government of India, New Delhi, 11th April, 2005.

Source: - Bilateral Treaties & Documents
Ministry of External Affairs, Government of India, New Delhi, 11, April, 2005

11/04/2005

The Government of the Republic of India and the Government of the People's Republic of China (hereinafter referred to as the two sides), Believing that it serves the fundamental interests of the peoples of India and China to foster a long-term constructive and cooperative partnership on the basis of the Five Principles of Peaceful Co-existence, mutual respect and sensitivity for each other's concerns and aspirations, and equality,

Desirous of qualitatively upgrading the bilateral relationship at all levels and in all areas while addressing differences through peaceful means in a fair, reasonable and mutually acceptable manner, Reiterating their commitment to abide by and implement the Agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control in the India-China Border Areas, signed on 7 September 1993, and the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas, signed on 29 November 1996, Reaffirming the Declaration on Principles for Relations and Comprehensive Cooperation between India and China, signed on 23 June 2003, Recalling that the two sides have appointed Special Representatives to explore the framework of settlement of the India-China boundary question and the two Special Representatives have been engaged in consultations in a friendly, cooperative and constructive atmosphere, Noting that the two sides are seeking a political settlement of the boundary question in the context of their overall and long-term interests, Convinced that an early settlement of the boundary question will advance the basic interests of the two countries and should therefore be pursued as a strategic objective, Have agreed on the following political parameters and guiding principles for a boundary settlement:
Article I

The differences on the boundary question should not be allowed to affect the overall development of bilateral relations. The two sides will resolve the boundary question through peaceful and friendly consultations. Neither side shall use or threaten to use force against the other by any means. The final solution of the boundary question will significantly promote good neighbourly and friendly relations between India and China.

Article II

The two sides should, in accordance with the Five Principles of Peaceful Coexistence, seek a fair, reasonable and mutually acceptable solution to the boundary question through consultations on an equal footing, proceeding from the political perspective of overall bilateral relations.

Article III

Both sides should, in the spirit of mutual respect and mutual understanding, make meaningful and mutually acceptable adjustments to their respective positions on the boundary question, so as to arrive at a package settlement to the boundary question. The boundary settlement must be final, covering all sectors of the India-China boundary.

Article I

The two sides will give due consideration to each other’s strategic and reasonable interests, and the principle of mutual and equal security.

Article V

The two sides will take into account, inter alia, historical evidence, national
sentiments, practical difficulties and reasonable concerns and sensitivities of both sides, and the actual state of border areas.

**Article VI**

The boundary should be along well-defined and easily identifiable natural geographical features to be mutually agreed upon between the two sides.

**Article VII**

In reaching a boundary settlement, the two sides shall safeguard due interests of their settled populations in the border areas.

**Article VIII**

Within the agreed framework of the final boundary settlement, the delineation of the boundary will be carried out utilising means such as modern cartographic and surveying practices and joint surveys.

**Article IX**

Pending an ultimate settlement of the boundary question, the two sides should strictly respect and observe the line of actual control and work together to maintain peace and tranquility in the border areas. The India-China Joint Working Group and the India-China Diplomatic and Military Expert Group shall continue their work under the Agreements of 7 September 1993 and 29 November 1996, including the clarification of the line of actual control and the implementation of confidence building measures.
The Special Representatives on the boundary question shall continue their consultations in an earnest manner with the objective of arriving at an agreed framework for a boundary settlement, which will provide the basis for the delineation and demarcation of the India-China boundary to be subsequently undertaken by civil and military officials and surveyors of the two sides.

Article XI

This Agreement shall come into force as of the date of signature and is subject to amendment and addition by mutual agreement in writing between the two sides.

Signed in duplicate in New Delhi on 11 April, 2005, in the Hindi, Chinese and English languages, all three texts being equally authentic. In case of divergence, the English text shall prevail.

For the Government of the Republic of India For the Government of the People's Republic of China

New Delhi

April 11, 2005

Source: - Bilateral Treaties & Documents

Ministry of External Affairs, Government of India, New Delhi, 11, April, 2005

11/04/2005

The Government of the Republic of India and the Government of the People’s Republic of China (hereinafter referred to as the two sides), Recalling that both sides are committed to developing their long-term constructive and cooperative partnership on the basis of the Five Principles of Peaceful Co-existence, mutual respect and sensitivity for each other’s concerns and aspirations, and equality, Reaffirming that the two sides seek a fair, reasonable and mutually acceptable settlement of the boundary question, Reaffirming their commitment that, pending an ultimate solution to the boundary question, both sides shall strictly respect and observe the Line of Actual Control in the India-China border areas, Noting the utility of confidence building measures already in place along the Line of Actual Control in the India-China border areas, Recognising that the maintenance of peace and tranquillity along the Line of Actual Control in the India-China border areas accords with the fundamental interests of the two sides, and will facilitate the process of early clarification and confirmation of the alignment of the Line of Actual Control, Convinced of the need for agreed modalities for the implementation of confidence building measures between the two sides in the military field along the Line of Actual Control in the India-China border areas, and Recalling further the relevant provisions of the Agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control in the India-China Border Areas signed in September 1993 and Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996, Have agreed on the modalities as follows:
Article I

In accordance with Article II of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996, the two sides should strictly respect and observe the Line of Actual Control and work together to maintain peace and tranquility in the border areas.

Article II

In accordance with Article IV of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

(a) Both sides shall avoid holding large-scale military exercises involving more than one Division (approximately 15,000 troops) in close proximity to the Line of Actual Control. However, if such exercises are to be conducted, the strategic direction of the main force involved shall not be towards the other side.

(b) If either side conducts a military exercise involving more than one Brigade Group (approximately 5,000 troops) in close proximity to the Line of Actual Control, it shall not be targeted against the other side. The side undertaking the exercise shall give, through Flag Meetings, the other side prior intimation 15 days in advance of the exercise with regard to type, level, planned duration and area of exercise as well as the number and type of units or formations participating in the exercise.

(c) Each side shall be entitled to obtain timely clarification within 15 days from the side undertaking the exercise in respect of data specified in paragraph (b) above of the present article, through Flag Meetings.

(d) Each side shall give prior intimation of changes in the timing of any scheduled exercise 15 days in advance, through Flag Meetings.
Article III

In accordance with Article V of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

(a) In the event of an alleged air intrusion of its controlled airspace by the military aircraft of the other side, either side may seek a Flag Meeting within 48 hours of the alleged air intrusion in order to seek a clarification. The investigation shall be completed by the other side and its results communicated through a Flag Meeting within a period of four weeks.

(b) If a military aircraft of either side is required to fly across the Line of Actual Control or to overfly the airspace of the other side, prior permission shall be sought from the other side according to procedures and formats to be mutually agreed upon.

(c) If a military or civilian aircraft of either side is required to fly across the Line of Actual Control or to land on the other side of the Line of Actual Control in an emergency situation, the two sides will ensure flight safety in such situations by adhering to procedures to be mutually agreed upon.

Article IV

In accordance with Article VI of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996, if the border personnel of the two sides come to a face-to-face situation due to differences on the alignment of the Line of Actual Control or any other reason, they shall exercise self-restraint and take all necessary steps to avoid an escalation of the situation. To this end, they shall follow the procedures as given below:

(a) Both sides shall cease their activities in the area, not advance any further, and simultaneously return to their bases.
(b) Both sides shall then inform their respective Headquarters and, if necessary, enter into immediate consultations through border meetings or diplomatic channels so as to prevent an escalation of the situation.

c) Throughout the face-to-face situation, neither side shall use force or threaten to use force against the other.

d) Both sides shall treat each other with courtesy and refrain from any provocative actions. Neither side shall put up marks or signs on the spots.

Article V

In accordance with Article VII of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in India-China Border Areas signed between the two sides in November 1996,

(a) Both sides shall hold two additional border meetings each year at Spanggur Gap in the Western Sector, Nathu La Pass in the Sikkim Sector and Bum La in the Eastern Sector respectively in celebration of the National Day or Army Day of either side. Specific arrangements shall be decided through consultation between the border forces of the two sides.

(b) Both sides agree in principle to expand the mechanism of border meeting points to include Kibithu-Damai in the Eastern Sector and Lipulekh Pass/Qiang La in the Middle Sector. The precise locations of these border meeting points will be decided through mutual consultations.

(c) Both sides shall conduct exchanges between the relevant Military Regions of China and Army Commands of India. Specific arrangements shall be decided upon through mutual consultations between the relevant agencies under the Ministries of Defence of the two sides.

(d) Both sides shall strengthen exchanges between institutions of training of the two armed forces, and conduct exchanges between institutions of sports and culture of the
two armed forces. Specific arrangements shall be decided upon through mutual consultations between the relevant agencies under the Ministries of Defence of the two sides.

Article VI

In accordance with Article VIII of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

(a) In case the personnel of one side in the border areas cross over to the other side due to force majeure such as natural disasters:

i. The side having discovered it should promptly contact and notify the other side;

ii. The personnel crossing over to the other side should, in the light of the prevailing circumstances, take measures to return to their own side or proceed to places designated by the other side en route to return to their own side;

iii. The receiving side will provide all possible assistance to the personnel from the other side and ensure their earliest possible return; and

iv. At the request of the side affected by the natural disaster, the other side may consider all possible measures to help alleviate the situation.

(b) In order to prevent infectious diseases in specific areas on either side in the border areas from spreading to the other side:

i. Both sides should share relevant information promptly through border meetings or diplomatic channels;

ii. Each side should take measures to prevent the spread of diseases from spilling onto the other side; and

iii. At the request of the side suffering from spread of infectious diseases, the other side may consider all possible measures to help alleviate the situation.
Article VII

The Protocol shall enter into force on the date of signature of this Protocol and will automatically be rendered invalid if the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996 ceases to be in force. Subject to agreement after mutual consultations between the two sides, the Protocol may be amended and supplemented at any time.

Done in duplicate in New Delhi on April 11, 2005 in the Hindi, Chinese and English languages, all three texts being equally authentic. In case of any divergence, the English text shall prevail.

For the Government of the Republic of India For the Government of the People's Republic of China

New Delhi

April 11, 2005

Source: - Bilateral Treaties & Documents
Ministry of External Affairs, Government of India, New Delhi, 11, April, 2005
India, China to Evolve Framework to Resolve Indo-Tibetan Boundary

January 13th, 2006

India's Foreign Secretary Shyam Saran has said that India and China are seeking to evolve a framework for "a political settlement adopting a package approach" to resolve the disputes along the Tibetan border.

Addressing a press conference in Beijing on January 10, 2006, following the second round of the India-China Strategic Dialogue, Saran said he had discussed the boundary question with Chinese Vice Foreign Minister Dai Bingguo.

"We are looking now at working together in the next round to try and evolve a framework for the boundary settlement," Saran said. "Both sides are committed to seek an early settlement on the basis of the 'Political Parameters and Guiding Principles' which were adopted during Premier Wen Jiabao's visit [to India in April 2005]," he added.

Saran further said, "It was reaffirmed in our meeting that what we are seeking is a political settlement adopting a package approach and proceeding from a long term and strategic perspective of overall relations."

In the agreement on the "Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question," signed in New Delhi on April 11, 2005, the two countries decided to "make meaningful and mutually acceptable adjustments to their respective positions" to arrive at a settlement. At the same time, they agreed to "give due consideration to each other's strategic and reasonable interests, and the principle of mutual and equal security" and to take into account "historical evidence, national sentiments, practical difficulties and reasonable concerns and sensitivities of both sides, and the actual state of border areas."

Saran talked about a "strategic partnership" between India and China and said, "...if the boundary question is resolved this would have a very important impact in terms of that global perspective."
The second round of the India-China Strategic Dialogue was held in Beijing from January 8 to 10, 2006 (The first round was held in New Delhi on January 24, 2005). The Indian delegation was led by Foreign Secretary Shyam Saran while the Chinese delegation was led by Vice Foreign Minister Wu Dawei.

"Chinese Vice Foreign Minister Wu Dawei and Indian Foreign Secretary Shyam Saran fully exchanged views on the border issue and strengthened cooperation and coordination in regional and international affairs, which made this meeting of tangible significance than the previous one," the People’s Daily reported on January 11, 2006.

The next round of talks on the border will take place in India in February, according to the People’s Daily.

Ministry of External Affairs, Government of India, New Delhi, 13, January, 2006
Source: - Bilateral Treaties & Documents
Ministry of External Affairs, Government of India, New Delhi, 13, January, 2006
Address by President Shri APJ Abdul Kalam at the Friendship Year Commemorative Function during the Visit of His Excellency Mr. Hu Jintao, President of the People's Republic of China, 21 November 2006

21/11/2006

India-China Friendship will lead to World Peace

Dear friends, it is indeed a beautiful day to commemorate the friendship year of the People's Republic of China and the Republic of India in the presence of His Excellency Mr. Hu Jintao, the President of the People's Republic of China. While I am with you, I would like to recall two scenes, one in India and another in China. These two episodes indicate the strong bonds between our two nations for many centuries which are continuing and which will continue.

Ancient Nalanda University and Hieun Tsang

The first scene, I would like to capture is a scene from the Nalanda Ancient University in India. I visited Nalanda and spent a full day there. This was a very active center of learning and research during the period between 5th to 12th Century A.D., in theology, philosophy and religion. Nearly 2000 teachers and 10000 students from many countries converged there and were studying and researching on how to elevate human minds. I saw the areas of Nalanda where the discourses took place, the remnants of hermitages of monks and teachers. Hieun Tsang a famous Chinese philosopher and historian who came to India in the 5th century A.D. and stayed in Nalanda for 12 years as a student and a teacher and studied and researched the social and political conditions. His contemporaries were great thinkers like Nagarjuna, Dharmapal, and Aryadeva. Hieun Tsang has left detailed description of excellence of education in Nalanda. There is a memorial hall built in his memory. This indicates how educational connectivity in philosophy and theology existed between India and China, even during 5th Century A.D.

Dr. D.S. Kotnis in China

Now I would like to describe the second scene in China. Dr. D.S. Kotnis had worked as the Director of Dr. Bethune International Peace Hospital in Shec-Zia Zhong in China. Dr. Kotnis along with four other doctors were sent as the Indian Medical Mission Team in 1938 for providing medical cover to the people affected by Japanese invasion of China. All except Dr. Kotnis returned to India safely. Dr. Kotnis stayed in
China for five years working in mobile clinics to treat wounded soldiers. Dr. Kotnis joined the 8-route army and worked 72 hours at a stretch for treating the war causalities. During his mission, Dr. Kotnis was a lecturer at the Dr. Bethune Hygiene School and the President of Dr. Bethune International Peace Hospital along with the Canadian Dr. Norman Bethune; Dr. Kotnis continues to be remembered by the Chinese people.

Unity of Minds
The deep historical and cultural association that our ancient civilizations share has made rich contributions in shaping the development of humanity and gives a unique dimension to India–China relations in contemporary times. The remarkable growth and diversification of India–China relations in recent years are a matter of satisfaction and gives optimism for the future of our relations. Today the footprints of India and China are increasingly visible and have made an impact on the global landscape in diverse areas. Our common pursuit of a peaceful environment for the paramount task of achieving national construction and prosperity adds great values to the India–China partnership.

The tradition of unity of minds, which we are building in India and China, can definitely enrich our society through technology, trade and business and above all a strategic partnership. The more, our two nations come closer and work together for the prosperity of the people, definitely not only India and China will prosper but also this unique trend will lead to prosperity and peace in the world.

The commemoration of the India–China Friendship year is truly a tribute to the distance traversed, through friendly exchanges and contacts, by two nations through the labyrinths of time.

My best wishes to all the participants from China and India for success in their mission of reinforcing the strategic and cooperative partnership for peace and prosperity of the planet Earth.

May God bless you.

Bilateral Treaties & Documents
Ministry of External Affairs, Government of India, New Delhi, 21 November 2006
Source: - Bilateral Treaties & Documents
Ministry of External Affairs, Government of India, New Delhi, 21, November, 2006
Speech by President Shri APJ Abdul Kalam at the Banquet in Honour of the President of the People's Republic of China, Mr. Hu Jintao on November 21, 2006

21/11/2006

Your Excellency, Mr. Hu Jintao,
President of the People’s Republic of China,
Madam Liu Yongqing,
Excellencies,
Distinguished Guests,
Ladies and Gentlemen,

It gives me great pleasure to very warmly welcome you, Mr. President and your delegation to India. Your visit is indeed a historic milestone in our bilateral relations. Its significance is further enhanced as it comes as the high point of the celebrations of the India-China Friendship Year. Today, we look back with great satisfaction at the steady evolution of our relations to new levels of cooperation and mutual understanding. There is a long and fascinating history of cultural and civilisational exchanges between our two countries. These exchanges in the fields of architecture, music, painting, astronomy, mathematics and medicine, and the role played by Buddhism in bringing our countries together in times gone by have been chronicled extensively. Our traditional friendship and civilisational contact continue to provide a strong underpinning to the development of our present day dialogue and interaction.

We are confident in our belief, Mr. President that our relations will continue to flourish and grow in the years to come in multiple fields.

Let me recollect our history when, around the year 1750 A.D., China and India together accounted for almost two-thirds of the total world trade before colonization of both our countries. Our joint mission in the area of trade should always lead to higher and more competitive output in terms of trade. This will lead to a more prosperous and better world.

Excellency, India looks at China’s rapid development with deep interest and appreciation. As a large developing country, endeavouring to seek inclusive development for its people, India faces many of the challenges that China also does.
As our two countries take steady steps in their forward march towards progress and prosperity, close cooperation between us is imperative for the overall betterment of humanity. I am aware that you have visited India in the past. Your visit this time would give you an opportunity to see and understand the significant developments that have taken place in India since then. I am confident that as our two countries develop and our peoples prosper, our cooperation and exchanges will achieve even greater substance and sustenance. The pace at which India-China relations have recently grown across a comprehensive spectrum testifies this. We are confident that your visit will impart significant momentum to this positive process.

Convergence of technologies is taking place at a fast pace and both our countries can work together in this area. Information and communication technology have converged into ICT. Information Technology has also combined with biotechnology and converged into bio-informatics. When bio-informatics will combine with nanotechnology, we can make great progress towards a disease free, happy and more intelligent human habitat.

Excellency, our relationship transcends our bilateral interaction. With a population of one third of humanity that is constantly moving forward, what happens in India and China concerns the whole world. Our healthy economic growth and steady national development is a stabilizing factor in today's international economic order. Both our countries seek a peaceful environment to focus on the paramount task of national development. Positive trends in India-China relations, therefore, promote peace, stability and harmonious development in the region in which we live and even beyond. The youth of our two countries presents the greatest source of our strength and hope. The successful Youth Exchange programme between our two countries is an example of how these citizens of tomorrow can appreciate the great cultures of our two nations and look forward to a bright and harmonious future.

The regional and global perspective of our ties further necessitates that we take a long-term and strategic view of our relationship. We need to add more substance and meaning to our strategic relationship. Our discussions fully reflect our shared commitment to this end and are another pointer to the maturity of our relationship. Together, we can strengthen the global quest for multipolarisation and
multilateralism, and harness the positive forces of globalization for the benefit of developing countries.

Excellency, India views its relations with China as being of utmost importance and remains fully committed to further invigorating the strategic and cooperative partnership between our countries. We are confident that with the joint efforts of both sides, we will achieve this laudable goal. Let me once again welcome Your Excellency and Madam Liu Yongqing to India.

Excellencies, Ladies and Gentlemen, may I request you to join me in raising a toast to:

- the good health of his Excellency President Hu Jintao and Madam Liu Yongqing;
- the well-being of the Chinese people, and;
- everlasting friendship between India and China

Bilateral Treaties & Documents
Ministry of External Affairs, Government of India, New Delhi, 21 November 2006
Source: - Bilateral Treaties & Documents
Ministry of External Affairs, Government of India, New Delhi, 21, November, 2006
Joint Declaration by the Republic of India and the People’s Republic of China

21/11/2006

H.E. Mr. Hu Jintao, President of the People’s Republic of China, is currently paying a State visit to the Republic of India from 20 to 23 November 2006 at the invitation of H.E. Dr. A.P.J. Abdul Kalam, President of the Republic of India.

2. President Hu Jintao held talks with Prime Minister Dr. Manmohan Singh, earlier today. He will call on President Dr. A. P. J. Abdul Kalam later in the day. Vice President Shri Bhairon Singh Shekhawat, Speaker, Lok Sabha Shri Somnath Chatterjee, and Leader of the Opposition in Lok Sabha Shri L. K. Advani will pay courtesy calls on President Hu Jintao. Smt. Sonia Gandhi, Chairperson, United Progressive Alliance, will meet him. Earlier today, Minister of External Affairs Shri Pranab Mukherjee called on the visiting Chinese President. President Hu Jintao will deliver a policy address at the Vigyan Bhawan and attend the India-China Friendship Year commemorative function. He will also visit Agra and address a business summit in Mumbai, among other engagements.

3. The leaders of the two countries have noted with satisfaction the all-round progress made over recent years in India-China relations and their regional and multilateral cooperation. They reiterate the shared vision and fundamental principles for the future development of India-China relations, as embodied in the Declaration on Principles for Relations and Comprehensive Cooperation of 23 June 2003 and the Joint Statement of 11 April 2005 signed between the Prime Ministers of the two countries.

4. Both sides agree that the relationship between India and China, the two biggest developing countries in the world, is of global and strategic significance. Both countries are seeking to avail themselves of historic opportunities for development. Each side welcomes and takes a positive view of the development of the other, and considers the development of either side as a positive contribution to peace, stability and prosperity of Asia and the world. Both sides hold the view that there exist bright prospects for their common development, that they are not rivals or competitors but are partners for mutual benefit. They agree that there is enough space for them to
grow together, achieve a higher scale of development, and play their respective roles in the region and beyond, while remaining sensitive to each other’s concerns and aspirations. Strategic partnership between the two countries with a similar worldview is consistent with their roles as two major developing countries. With the growing participation and role of the two countries in all key issues in today’s globalising world, their partnership is vital for international efforts to deal with global challenges and threats. As two major countries in the emerging multi-polar global order, the simultaneous development of India and China will have a positive influence on the future international system.

5. In order to promote the sustainable socio-economic development of India and China, to fully realise the substantial potential for their cooperation in a wide range of areas, to upgrade India-China relations to a qualitatively new level, and to further substantiate and reinforce their Strategic and Cooperative Partnership, the leaders of the two countries have committed themselves to pursuing the following "ten-pronged strategy":

I. Ensuring Comprehensive Development of Bilateral Relations:
6. Both sides are committed to making the positive development and diversification of India-China relations in recent years an irreversible trend.

7. The two sides agree to hold regular Summit-level meetings, in each other’s country and in multilateral forums. They agree that high-level exchanges between Governments, Parliaments and political parties play an important role in expanding overall bilateral cooperation.

8. In order to sustain, facilitate and promote greater engagement between the two countries, an additional Consulate General shall be opened in each other’s country. The Indian side shall open a new Consulate General in Guangzhou, while the Chinese side shall open a new Consulate General in Kolkata. In this context, the mutually satisfactory resolution of the long-pending issue of the property of the Consulate General of India in Shanghai is a positive development.

II. Strengthening Institutional Linkages and Dialogue Mechanisms:
9. The two sides shall strengthen institutional linkages between their Governments in different areas and levels with a view to foster synergy and cooperation and promote greater understanding of each other’s policies and positions on important national, regional and international issues. The concerned ministries and organisations of the two countries shall intensify exchanges under the existing dialogue mechanisms and revitalise those that have not been regularly used. The signing of the Protocol of Cooperation between the Ministry of External Affairs of India and the Ministry of Foreign Affairs of China during the visit is an important step in this direction.

III. Consolidating Commercial and Economic Exchanges:

10. Both sides believe that comprehensive economic and commercial engagement between India and China is a core component of their Strategic and Cooperative Partnership. They will endeavour to raise the volume of their bilateral trade to US$ 40 billion by 2010. They shall make joint efforts to diversify their trade basket, remove existing impediments, and optimally utilise the present and potential complementarities in their economies, in order to sustain and further strengthen bilateral commercial and economic cooperation. Towards this end, both sides will attach utmost priority to an early implementation of the decisions taken in March 2006 by the Ministerial-level Joint Economic Group, including the recommendations of the Joint Study Group, through mechanisms already created for this purpose. The Joint Task Force set up to study the feasibility and benefits of an India-China Regional Trading Arrangement shall complete its work by October 2007.

11. The conclusion of the Bilateral Investment Promotion and Protection Agreement during the visit is a welcome development that will provide the institutional and legal basis to encourage and promote greater investment flows between the two countries.

12. The Chinese side has invited India to participate in the World Exposition Shanghai 2010. The Indian side expressed its appreciation and stated that it will actively support and participate in the event.

IV. Expanding All-Round Mutually Beneficial Cooperation:
13. The two sides agree to further strengthen positive trends in the all-round development of relations and fully realize the substantial potential of cooperation, including in trade, industry, finance, agriculture, water resources, energy, environment, transportation, infrastructure, information technology, health, education, media, culture, tourism, youth affairs and other fields.

14. Both sides agree to fully implement the provisions of the Memorandum on Cooperation in the field of Oil and Natural Gas signed in January 2006 and encourage collaboration between their enterprises, including through joint exploration and development of hydrocarbon resources in third countries.

15. Given the complementarities that India and China enjoy in the area of information and communication technology, the two sides agreed to strengthen mutually beneficial cooperation in this sector, through closer policy dialogue and enhanced collaboration among their enterprises, including in third countries.

16. The two sides shall fully implement the Memorandum of Understanding on Agricultural Cooperation, step up the exchange of experience in the field of agriculture and rural development, including food security, and hold discussions and consultations on the standards for agricultural goods at an early date in order to facilitate trade in such goods.

17. The two sides will set up an expert-level mechanism to discuss interaction and cooperation on the provision of flood season hydrological data, emergency management and other issues regarding trans-border rivers as agreed between them. The on-going provision of hydrological data for the Brahmaputra/Yarlung Zangbo and the Sutlej/Langqen Zangbo Rivers by the Chinese side to the Indian side has proved valuable in flood forecasting and mitigation. The two sides agree to continue bilateral discussions to finalise at an early date similar arrangements for the Parlung Zangbo and Lohit/Zayu Qu Rivers.

18. Both sides shall intensify their consultations, bilaterally and in multilateral fora, on sustainable development, bio-diversity, climate change and other related environmental issues of common concern. The cooperation in wildlife conservation, particularly in tiger conservation, shall be stepped up.
V. Instilling Mutual Trust and Confidence through Defence Cooperation:

19. The exchange of visits in the field of defence has resulted in building of mutual trust and enhancement of mutual understanding between the defence establishments of the two countries. Both sides shall fully implement the provisions of the Memorandum of Understanding for Exchanges and Cooperation in the field of Defence signed on 29 May 2006, which provides a sound foundation and institutional framework for further development of defence cooperation.

VI. Seeking Early Settlement of Outstanding Issues:

20. Both sides are committed to resolving outstanding differences, including on the boundary question, through peaceful means and in a fair, reasonable, mutually acceptable and proactive manner, while ensuring that such differences are not allowed to affect the positive development of bilateral relations.

21. The Special Representatives of India and China on the boundary question have taken steps and shall continue to strive to arrive at a boundary settlement on the basis of the Agreement on Political Parameters and Guiding Principles for the Settlement of India-China Boundary Question signed on 11 April 2005. An early settlement of the boundary question will advance the basic interests of the two countries and shall, therefore, be pursued as a strategic objective. The Special Representatives shall complete at an early date the task of finalising an appropriate framework for a final package settlement covering all sectors of the India-China boundary. Pending the resolution of the boundary question, both sides shall maintain peace and tranquillity in the border areas in accordance with the agreements of 1993, 1996 and 2005.

22. Along with the talks between the Special Representatives, the Joint Working Group on the India-China Boundary Question shall expedite their work, including on the clarification and confirmation of the line of actual control and the implementation of confidence building measures. It was agreed to complete the process of exchanging maps indicating their respective perceptions of the entire alignment of the LAC on the basis of already agreed parameters as soon as possible.
VII. Promoting Trans-border Connectivity and Cooperation:

23. Both sides shall promote greater trans-border cooperation at mutually agreed sites in India-China border areas with the objective of transforming their border from being a dividing line into a bridge that unites them in cooperative pursuits. In this context, border trade between India and China, including the recent resumption of border trade through the Nathula La Pass, is of significant importance. The two sides shall strengthen border trade through the existing locations, while continuing to explore the possibility of opening additional trading routes in India-China border areas.

24. The two sides welcome the organisation of a car rally, recommended by the BCIM Forum, between Kolkata and Kunming via Bangladesh and Myanmar.

25. The Chinese side shall provide greater facilitation to Indian pilgrims for the Kailash Mansarovar Yatra. Both sides shall explore the possibility of opening an additional route for the Yatra.

VIII. Boosting Cooperation in Science and Technology:

26. Bearing in mind the priority attached by India and China to scientific and technological development and innovation as a cornerstone of their efforts towards sustainable socio-economic development, the two sides shall establish an India-China Partnership in Science and Technology. The two sides welcome the establishment of the Ministerial-level Committee on Science and Technology Cooperation as a positive step in guiding, coordinating and facilitating cooperative activities. They agree to launch joint projects in the areas of (i) earthquake engineering, (ii) climate change and weather forecasting, (iii) nano-technology with focus on advanced materials, and (iv) biotechnology and medicines with focus on bio-nano. The cooperation framework shall include entrepreneurs on both sides, besides the two Governments and their respective institutions.

27. Considering that for both India and China, expansion of civilian nuclear energy programme is an essential and important component of their national energy plans to ensure energy security, the two sides agree to promote cooperation in the field of nuclear energy, consistent with their respective international commitments. As two
countries with advanced scientific capabilities, they stress the importance of further deepening cooperation bilaterally as well as through multilateral projects such as ITER, and enhance exchanges in the related academic fields.

28. As countries, which have made advances in space technologies, both sides reiterate their commitment to the use of outer space for peaceful purposes. They agree to strengthen their cooperation in the use of space-based technologies for peaceful and developmental applications, including through satellite remote sensing, satellite communications, satellite meteorology and satellite launch services. Cooperation in practical applications of space technology, such as those related to disaster management and distance education, shall also be actively explored. Towards this end, both sides shall fully implement the provisions of the Memoranda of Understanding on the peaceful use of outer space signed between India and China in December 1991 and January 2002.

IX. Revitalising Cultural Ties and Nurturing People-to-People Exchanges:

29. The centuries-old cultural contacts between the two peoples provide a strong foundation for enduring friendship between India and China. The initiatives to rediscover these historical linkages and revitalise them in the present day context, including through an early completion of the Xuanzang Memorial in Nalanda and the Indian-style Buddhist Shrine in Luoyang, will further strengthen these bonds. The two sides agree to strengthen cooperation in the area of spiritual and civilizational heritage, discuss collaboration in the digitisation of Buddhist manuscripts available in China as well as the re-development of Nalanda as a major centre of learning with the establishment of an international university on the basis of regional cooperation. In order to promote greater awareness of each other’s culture, the two sides shall organise a “Festival of India” in China and a “Festival of China” in India, with a joint logo. Detailed modalities in this regard will be decided by the concerned authorities through mutual consultations.

30. In order to promote greater academic exchanges between India and China, the two sides agree to work towards the establishment of an “India-China Exchange Foundation”. Detailed modalities of the Foundation will be worked out through mutual consultations.
31. India-China relations in the field of education will be further strengthened through a new Educational Exchange Programme concluded during the visit.

32. The two sides also agree to launch a five-year programme for mutual exchange of youth delegations. In this context, the Chinese side invites five hundred youth from India over the next five years.

33. With a view to vigorously promoting tourism between India and China, the two sides shall organise the “India-China Year of Friendship Through Tourism” in 2007 with a joint logo and take other initiatives, such as opening of the office of the China National Tourism Administration in India and an Indian Tourism Office in China, improved air connectivity, and continued liberalisation of the visa regime.

34. The two sides welcome cooperation linkages between the Indian States and the Chinese provinces in order to promote greater people-to-people exchanges.

X. Expanding Cooperation on Regional and International Stage:

35. The two sides shall hold regular exchange of views on the emerging security environment in the Asia-Pacific and in the world, and undertake proactive consultations on issues of immediate and emerging concern, so as to coordinate their positions and to make positive contribution towards peaceful resolution of such issues. They shall also have regular consultations on issues pertaining to regional peace, security and stability, such as regional maritime security, proliferation of weapons of mass destruction and related materials and their means of delivery, pandemics, natural disasters, illegal trafficking in arms, narcotics and people, and environmental degradation.

36. The two sides positively assess the trilateral dialogue mechanism among India, China and Russia and agree that exchanges and cooperation under it should be further substantiated.

37. Recognising that terrorism constitutes a crime against humanity that cannot be justified on any ground and condemning it in all forms and manifestations, the two sides agree to revitalise and broaden the India-China Dialogue Mechanism on
Counter-Terrorism. They shall strengthen their efforts, bilaterally as also in the international fora, to fight against terrorism, separatism and extremism, and the linkages between terrorism and organized crime and illicit arms and drugs trafficking.

38. Recognising the central role of the United Nations in promoting international peace, security and development, both sides reiterate their determination to strengthen the UN system. The reform of the UN should be comprehensive, ensure balanced representation of developing and developed countries in the UN Security Council, and add to the efficiency and efficacy of the UN and its Security Council. The two sides shall conduct consultations on the question of UN reform, including the reform of the UN Security Council. The Indian side reiterates its aspirations for permanent membership of the UN Security Council. China attaches great importance to the status of India in international affairs. It understands and supports India’s aspirations to play a greater role in the United Nations.

39. Energy security constitutes a vital and strategic issue for producing and consuming countries alike. It is consistent with the common interest of the two sides to establish an international energy order, which is fair, equitable, secure and stable, and to the benefit of the entire international community. Both sides shall also make joint efforts, bilaterally as well as in multilateral fora, to diversify the global energy mix and to increase the share in it of renewable energy sources. Global energy systems should take into account and meet the energy needs of both countries, as part and parcel of a stable, predictable, secure and clean energy future. In this context, international civilian nuclear cooperation should be advanced through innovative and forward-looking approaches, while safeguarding the effectiveness of international non-proliferation principles.

40. Both countries are committed to non-proliferation objectives and agree to expand their dialogue on the related issues, in bilateral and international fora.

41. As two large developing countries with relatively successful developmental experiences, India and China share unique responsibilities to protect and promote the interests of the developing world in the emerging international order and to help them benefit from the positive forces of globalisation. In this context, the two sides shall
hold a two-part international seminar in Beijing and New Delhi, co-hosted by their Ministries of Finance, to share their developmental experience with other developing countries and the international community at large.

42. The two sides agree to strengthen their cooperation in the World Trade Organisation. They support the establishment of an open, fair, equitable, transparent and rule-based multilateral trading system, early resumption of Doha negotiations, and are determined to safeguard the legitimate rights and interests of the developing countries. As founder Members of the G-20 and the G-33, they are determined to strengthen their cooperation and to coordinate with other members of the WTO, especially the developing countries, in order to secure an early resumption of the negotiations on the Doha Work Programme, placing the development dimension at its heart.

43. Recognising that regional integration is an important feature of the emerging international economic order, the two sides agree to expand their coordination within regional organisations and explore a new architecture for closer regional cooperation in Asia. They positively view each other's participation in Asian inter-regional, regional and sub-regional cooperation process, including in the progress towards the East Asian Community. In this context, the two sides agree to cooperate closely in the East Asia Summit. The Indian side welcomes China's attainment of observer status in the South Asian Association for Regional Cooperation. The Chinese side welcomes India's membership of the Asia-Europe Meeting. The two sides agree to expand their cooperation on issues on common interest under the Shanghai Cooperation Organisation.

44. The Indian side recalls that India was among the first countries to recognize that there is one China and that its one China policy has remained unaltered. The Indian side states that it would continue to abide by its one China policy. The Chinese side expresses its appreciation for the Indian position.

45. The Indian side reiterates that it has recognized the Tibet Autonomous Region as part of the territory of the People’s Republic of China, and that it does not allow Tibetans to engage in anti-China political activities in India. The Chinese side expresses its appreciation for the Indian position.
46. The following agreements were signed during the visit:

i) Protocol on the Establishment of Consulates-General at Guangzhou and Kolkata;
ii) Protocol on Cooperation between the Ministry of External Affairs of India and the Ministry of Foreign Affairs of China;
iii) Agreement on the Issue of Property of the Consulate General of India in Shanghai;
iv) Agreement on Bilateral Investment Protection and Promotion;
v) Memorandum of Understanding on Inspection of Export Cargo (Iron Ore);
vi) Protocol on Phytosanitary Requirements for Exporting Rice from India to China;
vii) Memorandum of Understanding between Forward Markets Commission of India and China Securities Regulatory Commission regarding Commodity Futures Regulatory Cooperation;
viii) Memorandum of Understanding on Cooperation between the Indian Institute of Public Administration and the Central Party School of the Communist Party of China;
ix) Agreement on Forestry Cooperation;
x) Memorandum of Understanding between the Indian Council of Agricultural Research and the Chinese Academy of Agricultural Sciences;
xii) Exchange Programme on Cooperation in the Field of Education;
xiii) Memorandum of Understanding on Cooperation in the Conservation of Cultural Heritage; and
xiii) Agreement on Preventing Theft, Clandestine Excavation and Illicit Import and Export of Cultural Property.

47. The two sides believe that the highly successful visit of President Hu Jintao to India marks the high point of the India-China Friendship Year in 2006, promotes mutual understanding and trust, helps in substantiating the Strategic and Cooperative Partnership between the two countries and leads to a qualitative and quantum improvement in bilateral relations. They also agree that this Joint Statement provides a valuable blueprint for enduring development and diversification of the relations between India and China and sustained enrichment of their strategic partnership.

48. President Hu Jintao extended invitations to President Dr. A.P.J Abdul Kalam and
Prime Minister Dr. Manmohan Singh to visit China. The invitations were accepted with appreciation. The timing of the visits will be decided through diplomatic channels.

New Delhi

21 November 2006

Source: - Bilateral Treaties & Documents
Ministry of External Affairs, Government of India, New Delhi, 21 November 2006
Prime Minister’s statement to the Press during his visit to China

January 14, 2008

Thank you for your kind words.

It is a pleasure and honour for me to be in Beijing. I have always looked forward to my meetings with Premier Wen, and to benefit from his great wisdom and experience. I would like to express my heartfelt thanks to the Government and people of China for the courtesy and warmth of their hospitality.

Our talks were held in an atmosphere of sincerity, warmth and friendship. They were constructive and forward looking. This gives me cause for optimism for the future of our ties.

India-China relations are of regional and global significance. The profound changes taking place in the world today present both our countries with a historic opportunity to work together towards a 21st century that is conducive to peace and development.

The Shared Vision of the 21st Century that Premier Wen and I have just signed is an important milestone in the evolution of our relations. It reflects not only our common perceptions but also our desire to purposefully cooperate in the future.

We have agreed to continue deepening the mutual understanding and trust between our armed forces. We welcomed the successful conclusion of our first joint military training exercise, and agreed to hold a second exercise in India this year.

We recognized that our strategic and cooperative partnership should be based on strong, diversified and mutually beneficial economic ties. We have decided to increase our bilateral trade target from 40 billion US dollars by the year 2010 to 60 billion US dollars.

We have mandated our Ministers of Commerce to examine the Feasibility Study on the benefits of a Regional Trading Arrangement and make recommendations at an early date.
We have decided to establish a high level Business Leaders Forum to advise us on the future of our economic ties.

We had useful discussions on the outstanding issue of the Boundary Question. We welcomed the progress made by our Special Representatives in seeking a framework for settlement of the boundary question that is fair, reasonable, mutually acceptable, and based on the Agreement on Guiding Principles and Political Parameters signed in April 2005.

While the Special Representatives continue their efforts, both sides reiterated their mutual commitment to maintaining peace and tranquility in the border areas.

I conveyed India's appreciation for China's assistance in providing flood season data for some of our trans-border rivers. Premier Wen and I agreed that we will continue to expand our cooperation in this area through the Expert Level Mechanism.

Science & Technology is another priority area and we have identified earthquake engineering, disaster management, climate change, biotechnology and nano sciences as areas for further cooperation.

We have decided to intensify high-level exchanges between our two countries. I have invited Premier Wen to visit India at his convenience. Thank you.

Speech
Ministry of External Affairs
Source: - Bilateral Treaties & Documents
PM'S address at the India-China Economic, Trade and Investment Summit 14th January, 2008

His Excellency Vice-Premier Hui Liangyu,
Mr. Yu Ping, Vice-Chairman of the China Council for the Promotion of International Trade,
Shri Kamal Nath, Minister for Commerce & Industry
Business Representatives from China and India

Ladies and Gentlemen.

I am delighted to have this opportunity to meet you today. The India-China Economic Trade and Investment Summit is a unique gathering of businesspersons representing the two most populous countries of the world. You have grown competitive by starting from continent-sized markets and graduating to world markets. You are the symbols of the growth stories in India and China. We salute your dynamism and entrepreneurship.

Your meeting today is an expression of your confidence in the potential for economic cooperation between India and China. It is equally a testimony to the progress that business communities from both sides have made in working with each other.

Ladies and Gentlemen,

India and China are today the fastest growing large economies in the world. We should remember that China, India and Europe had almost equal shares of world income in the early 18th century. As the 21st century unfolds, both India and China stand poised to regain their weight in the global economy.

Our two countries will need to work together to ensure that we contribute to, even as we benefit from, the economic resurgence and integration of Asia. Our two economies are becoming engines of economic growth and must use our natural and human resources, technology and capital for the common benefit of the region.

The Indian economy has witnessed growth rates of close to 9% per year in the last three years. Our macro-economic fundamentals are strong. We have undertaken a series of economic reform measures to facilitate investment and growth. Our savings and investment rates have increased to 35% of our GDP and are rising. With a predominantly young population, there is potential for further increase in these rates.
Although India is more integrated with the global economy than ever before, the growth has been largely fuelled by an expanding domestic market. All these factors give us confidence that we will be able to step up our annual growth rate to 10% within the next five years.

Our bilateral trade with China has doubled in the last two years. Our trade target of 20 billion US dollars by 2008 was reached two years ahead of schedule. The revised target of 40 billion US dollars by 2010 is also likely to be achieved two years ahead of schedule.

This makes me wonder whether our two Governments have been underestimating the capabilities of our respective industries and their strong urge to do business with each other. We therefore propose to set more ambitious targets.

In the area of trade, the challenge before us is to diversify our export basket to China. I would urge Indian business to vigorously pursue opportunities for expanding non-traditional items of export. Such efforts, when matched by greater market access for Indian goods in China, will help to bridge the rising trade deficit between us.

In addition to our competitive manufacturing industries, India has a diversified agricultural production base. Our food processing industry is also growing rapidly and we can supply quality agricultural and marine products to the Chinese market. A conducive environment should be created for this trade to expand.

The services sector accounts for more than 50% of India’s GDP and more than 40% of China’s GDP. India has had considerable success in positioning itself in hi-tech services in world markets. There are enormous opportunities for both India and China to expand trade in services, particularly in construction and engineering, education, entertainment, financial services, IT and IT enabled services, transport, tourism, and health. We will work together with the Chinese government to remove administrative barriers and simplify regulatory regimes in order to move forward in these areas.

Chinese companies have been actively engaged in the Indian market. I understand that Chinese firms have contracted projects in India worth over 12 billion US dollars.
Indian majors have set up a number of joint ventures or subsidiaries in China in the pharmaceuticals and software sectors, among others.

We must strengthen the base of our economic cooperation through business alliances and collaboration in technology transfer and development. We seek to promote bilateral investments in traditional sectors such as petrochemicals, steel, healthcare, IT and automobiles. Equally, our entrepreneurs should explore opportunities in new areas such as biotechnology, advanced materials, renewable energy and low carbon technologies.

I would suggest a three-pronged strategy for the chambers of industry and commerce of both countries to achieve these objectives. Firstly, you should jointly develop a strategic plan for the future so that you have a vision of our economic cooperation and a road map for its implementation. This will ensure that a long-term strategic perspective that looks ahead to future challenges and opportunities guides our ties.

Secondly, you could develop profitable business models that factor in our complementarities and competitive strengths and the special needs of large markets like ours. The opportunities are many and innovation is the key to exploiting them.

Lastly but equally importantly, you need to acquire insights into each other’s markets, business customs and management styles. In the final analysis, doing business is about developing understanding and trust in your partners. Additionally, the business communities of our two countries should develop a deeper understanding of the macro-economic outlook, the regulatory regimes and of factors that have a bearing on the competitiveness of enterprises.

I am glad to know that the number of visitors exchanged between our two countries approached the half million mark last year and direct flight connections have risen to 22 a week. We need to encourage this growing interaction, including through easier grant of visas.

I would like to assure this gathering that both governments will work together to put in place an enabling environment for greater trade, investment and economic
interaction. This has to include creating a level playing field by addressing such issues as non-tariff barriers, IPR protection and market-related exchange rates.

Ladies and Gentlemen,

All countries must compete in global markets and such competition is not inconsistent with co-operation nor is it adversarial. The industrialised countries constantly compete with each other and they see this competition as constructive and mutually beneficial.

Economic cooperation between us has become a principal driver of our strategic and cooperative partnership for peace and prosperity. Several bilateral understandings and agreements are already in place to address different sectoral aspects which impact on our economic cooperation. India and China working together should develop a habit of mutually advantageous cooperation.

In 2003, our two Governments had established a Joint Study Group to examine the potential for economic engagement. Pursuant to this, a Joint Task Force has finalized its report on the feasibility of a India-China Regional Trading Arrangement. During my visit, I look forward to discussing further steps in this regard with the leadership of China.

In conclusion, I would like to congratulate the dedicated and hard-working people of China for the rapid economic progress that they have made. I would also like to thank the China Council for the Promotion of International Trade for organizing this event, and making this partnership of the business communities of our two countries possible.

Ministry of External Affairs, New Delhi

Source: - Bilateral Treaties & Documents

Speech by Prime Minister Dr. Manmohan Singh at the Chinese Academy of Social Sciences, Beijing

January 15, 2008

“India and China in the 21st Century”

Mr. Chen Kuiyuan, President of the Chinese Academy of Social Sciences,
Dr. Chen Jiagui, Vice-President of the Academy,
Distinguished Scholars,
Ladies and gentlemen,

I am greatly honoured to address this distinguished gathering at the prestigious Chinese Academy of Social Sciences. Yours is a premier institution, which has been at China’s intellectual vanguard over the last three decades and has contributed to China’s reform and development.

I am delighted to be in this great country. We in India admire the remarkable economic progress that China has made. The rise of China is among the most important developments of our times. As China’s largest neighbour, and a friend, we cannot remain untouched by this momentous process.

The great Chinese scholar and one of the foremost Indologists of our times, Professor Ji Xianlin, has rightly said and I quote: The two great cultural circles – China and India – have always learned from and influenced each other, and this process greatly speeded the development of the two cultures, which is both history and reality, unquote.

Today, both India and China are in the midst of rapid transformation. The development agenda has taken centre-stage in both our societies. Our systems are different, but people in both countries are united in their aspiration for a better future. When countries of the size of China and India, together accounting for 2.5 billion people begin to unshackle their creative energies, it impacts on the whole world. The world knows it and is watching with interest.
I therefore would like to use this opportunity to speak to you on India's development experience and on what I see as a special opportunity for India and China to work together in the twenty-first century.

Ladies and Gentlemen,

Premier Wen Jiabao recently spoke in Singapore about how it was only with openness and inclusiveness that a country can become strong and prosperous. In the past few decades, China has benefited from opening its economy to the rest of the world, and so has India.

India is changing and I would like to acknowledge that the success of China has been a stimulus to change. This process began in the 1980s and was intensified in 1991. In our system change can only be brought about through public debate and it takes time to build a political consensus. However, I am happy to say that in the 16 years that have elapsed since 1991, successive governments in India have carried forward the reform process, with the result that today India is on a high growth path.

Our economic growth during the last five years has averaged over 8.5% per year. This is unprecedented, and has created confidence that we can do better. We are aiming to raise it to 10% per year in the near future. There is a palpable sense of confidence in the country and optimism about the future.

The Indian economy has demonstrated resilience in meeting the challenges posed by globalization. In the last two decades, our industry—especially large and medium industry—has restructured to become globally competitive. This process is continuing.

We have, over the past few years, been able to create an environment conducive to creativity and enterprise. This is symbolized by the success of our information technology sector in world markets. There are other sectors that are also emerging. Pharmaceuticals and auto-components are both highly competitive. Indian multinationals have emerged that are investing abroad. I am happy to say that many of these companies are investing in China.

A few weeks ago, our National Development Council, which includes the Central Government together with our States and Union Territories, approved India's
Eleventh Five Year Plan covering the period 2007-2012. The Plan seeks to build further on the growth momentum already created to reach 10% growth by 2012. But it also recognises that growth alone cannot be the goal of a planning process.

We also need to ensure that growth is inclusive and equitable. We have to address the problems of inter-regional disparity and specifically, urban-rural disparity, revival of the agriculture sector, limited availability of land, and the lack of mobility of those employed in agriculture to productive jobs in industry. This is what we mean by inclusive growth. It is somewhat similar to what is called harmonious growth in China.

We have decided to make important structural shifts in the Plan to address the critical constraints that hold us back from achieving our objective of faster and more inclusive growth. As far as growth is concerned, the biggest priority must be the development of infrastructure, including infrastructure in rural areas. We propose to increase investment in infrastructure from 5% of GDP in 2006 to 9% by 2012 relying on both public and private investment.

Education, including skill development, is another major priority. We propose to triple the share of Central government spending on education and skill development from less than 8 per cent of total plan expenditure in the Tenth Plan to over 19 per cent in the Eleventh Plan. In fact, more than half of total government budgetary spending has been earmarked for agriculture, education, health and rural development, reflecting our emphasis on inclusive growth.

Sustainability of development for a country of India’s size is another key concern. We need to address critical challenges relating to energy, food and water security, and climate change. These are challenges that China faces as well.

Ladies and Gentlemen,

India’s domestic and foreign policy priorities are closely linked. The primary task of our foreign policy is to create an external environment that is conducive for our rapid development. Our policy seeks to widen our development choices and give us
strategic autonomy in the world. The independence of our foreign policy enables us to pursue mutually beneficial cooperation with all major countries of the world.

The establishment of peaceful and cooperative relationships in our neighbourhood is an intrinsic element of our foreign policy. We realise that our destinies are linked by geography and history. Both India and China seek tranquility and stability in our immediate neighbourhood and extended region.

We recognise that the world is evolving and developing features of multipolarity. It is natural that major powers, bound together by economic interdependence, will seek to cooperate with each other to mutual benefit. India and China must be part of this cooperative framework.

I look forward with optimism to the future and the role which India and China are destined to play in the transformation of Asia and the world. This optimism is based on my conviction that there is enough space for both India and China to grow and prosper while strengthening our cooperative engagement. History shows that our two great civilizations, flourished for centuries, side by side, interacting and influencing each other.

The Strategic and Cooperative Partnership for Peace and Prosperity that we established in 2005 seeks purposeful engagement covering a wide range of areas. At the same time, we recognise the obligation we have to put behind us disputes and problems that have troubled our relations in the past.

The boundary between us is peaceful. We are both determined to keep it so while our Special Representatives seek a settlement of the boundary question. In April 2005, during the visit of Premier Wen Jiabao to India, we agreed on a set of Political Parameters and Guiding Principles for the settlement of the boundary question. We are confident that those Principles will guide us to a mutually satisfactory solution of this issue. We have also agreed to set up a mechanism to look at trans-boundary rivers, and will make a success of its work.

We are satisfied with the results of our efforts so far and are convinced that the potential for India-China relations is great and will be realised.
Where do we go from here and what is our vision for the 21st century? Yesterday, Premier Wen Jiabao and I have agreed upon our Shared Vision for the 21st Century.

The starting point is the recognition that India-China relations impinge not only on the welfare of the people of the two countries, but also influence regional and global trends.

We are at an exciting point in history when the centre of gravity of the world economy is moving towards Asia. Just as the world economy was largely about western nations in the twentieth century, it could be largely about Asia in the 21st century. By the mid-21st century, Asia may well account for more than 50 percent of trade, income, saving, investment and financial transactions of the world.

We must ensure that India and China cooperate in creating a world of positive externalities and mutual prosperity, rather than one based on balance of power calculations and animosity. This involves India and China working together closely to ensure a global order in which our simultaneous development will have a positive influence not only on our own economies but also on the rest of the world.

I would like to highlight some key focus areas for the future.

First, we must bridge the “knowledge gap” between India and China. We need to make much more sustained effort to ensure proper awareness of each other. This not only applies to our culture and history but also to contemporary developments. We need to have more people to people contacts to remove misconceptions and prejudices. We need a broad based comprehensive dialogue at the level of intelligentsia, media, non-governmental professionals and the worlds of culture and the arts.

Second, we need to expand our cooperation in a broad range of functional sectors. This could include learning from each other’s national developmental experiences. We would like to learn from China’s success in the creation of physical infrastructure, strategies to provide productive employment outside the agriculture sector, and poverty alleviation. Other areas for potential cooperation are science and technology,
public health, education, institution building, water resource management and disaster management.

Third, we should harness our complementarities and synergies in the areas of trade and business. India’s growing consumer market, skilled human resources, and software excellence together with China’s own large market, its manufacturing prowess and cost competitiveness provide the platform for exponential growth in our economic ties. China is already the second largest trading partner of India. Yesterday, we agreed to set a bilateral trade target of 60 billion US dollars by the year 2010.

Asia is today more integrated than ever before in terms of trade in goods and services and investment of capital and knowledge. In the East Asian Summit and other fora, we are discussing several constructive ideas for an open inclusive economic architecture from the Indian Ocean to the Pacific. We look forward to working with China in this pursuit. I have spoken before of an Asian Economic Community and am glad that progress is being made in that direction.

In pursuing these initiatives we will do it the Asian way – avoiding confrontation and building trust, confidence and consensus. It is only in an environment of peace that prosperity in Asia can be sustained. India and China have an important role to play in building peace, security and stability in the region.

At the global level, our two countries should be at the forefront of the emergence of a more democratic global order and of multilateral approaches to resolving global issues. Today’s international institutions, like the UN Security Council, no longer reflect reality and must be democratised.

We have had useful experience of cooperating in the effort to bring about a successful conclusion of the Doha Development Round of the WTO negotiations, placing the development dimension at its heart. This experience enables us to intensify our efforts to create a more open and equitable trading and financial architecture.

The environment is humanity’s common heritage. The rights of our people to a fair chance to improve their lot cannot be abandoned because of environmental damage caused by others who followed a path which has squandered the earth’s resources.
Burden sharing has to be fair and must take into account historical emissions. The recently concluded Bali Conference provides a framework for future cooperation on this basis. India and China should continue to work together to strengthen international cooperation on this basis.

The rapid growth of India and China will lead to expanding demand for energy. We have no choice but to widen our options for energy availability and develop viable strategies for energy security. We can do much more too jointly develop clean and energy efficient technologies through collaborative research and development. India seeks international cooperation in the field of civilian nuclear energy, including with China.

Another area which merits our attention is food security. Global trends in food production and prices, and changing patterns of consumption are going to put increasing pressure on the availability and prices of basic food items. These trends pose major challenges for how we manage our food economy in the years ahead. Our interests are common and we can learn from each other in the strategies we follow.

Perhaps the greatest danger to our development comes from extremism of all types, whether in the garb of religion or on the pretext of righting historical wrongs. Recent developments in our neighbourhood have brought home to us again the imperative need to collectively fight terrorism and extremism in all its forms. As large and diverse societies, we are well placed to demonstrate the benefits of moderation and peaceful co-existence. The rise of non-state actors, often based on intolerance, and narrow conceptions of identity, is a threat to all civilized nations.

Ladies and Gentlemen,

The responsibility for the further development of India-China relations is a shared one. Our governments have an important role to play. But we must also look to you, the intellectuals, thinkers and scholars of China to lead the way by working closely with your Indian counterparts. It is through a free flow of ideas and sharing of different perspectives that our two societies can build upon the edifice of our civilisational links.

I thank you for your attention.
Speeches

Ministry of External Affairs, New Delhi

Source: - Bilateral Treaties & Documents

Ministry of External Affairs, Government of India, New Delhi, 15, January, 2008